

# The ORIENTAL ECONOMIST

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No. 556

Income Tax Cut  
Japan-Korea Talks  
Fiscal 1957-8 Budget  
Postwar Export Markets  
Industrial Innovation Boom  
Pattern of Manufacturing  
Brisk Exports of Ships  
New Socialist Policy  
Prices Firmer  
Automobile Industry





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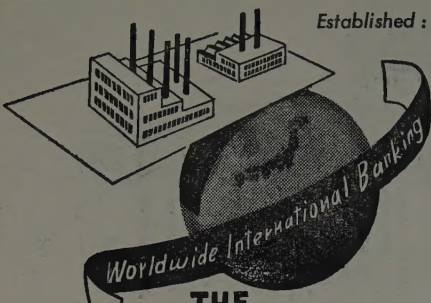
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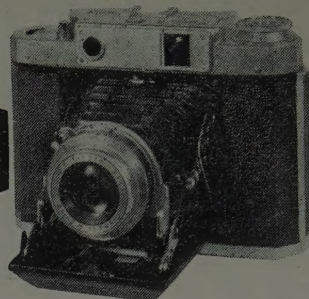


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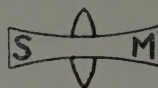
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## Review of the Month

A harmonious balance between revenue and expenditure in the smooth enforcement of positive administrative programs and a wide-range income tax cut, the two major policies of the Ishibashi Government, is the goal of the draft budget for fiscal 1957-58 which totals ¥1,137,464 million, eclipsing the budget for the current fiscal (1956-57) year by ¥102,541 million. This draft will be submitted to the National Diet on February 2. The fiscal 1957-58 plan for state fund loans and investments, also endorsed at the January 26 Cabinet conference, stands at ¥412,500 million (including ¥84,500 million bonds), up ¥63,340 million (including ¥5,400 million bonds) over the fiscal 1956-57 plan. The first support to the Government's effort to maintain a harmonious budgetary balance for fiscal 1957-58 is the comfortable natural increase in revenue estimated at ¥190,000 million. Roughly, half of the natural increase goes for the tax cut, while the other half goes for various governmental measures. Among major "positive" programs which the Government is expected to adopt during fiscal 1957-58 are enterprises for eliminating existing bottlenecks, a systematic housing plan, road repairing and reconstruction (through the boosting of the gasoline tax), the completion of port-harbor facilities and more energetic financial loans and investments for power resources developments.

The positive government policy is more apparent in the State Fund Loans and Investment Plan than in the General Account. In the General Account, half of the 100,000 million yen revenue increase over the last fiscal year is bound for such items as pensions, compulsory education expenses and tax redistribution for local governments (items which naturally grow in parallel with the increase in applicable population and tax revenue growth); and only the remaining half is destined for such "positive" measures as road repairing and harbor facilities improvements. Development of power resources, construction of roads and greater financial facilities for the minor and medium-sized businesses are mainly dealt with in the State Fund Loans and Investment Plans.

The ratio of the budgetary expenditure (in the general account) in the estimated distributive national income (as surveyed by the Economic Planning Board) stood at 26 percent in fiscal 1949 when the so-called "Dodge" plan was enforced. In fiscal 1950, it slipped to 19 percent and further to the 14 percent mark in fiscal 1956 and 1957. In fiscal 1957, the general account expenditure is due to swell 10 percent over fiscal 1956, but the distributive national income is also expected to hike 8 percent. Hence, the ratio of the general account expenditure against the distributive national income will only make a small gain as compared to fiscal 1956. As regards the state fund loans and investments plan, the increasing rate of the fiscal 1957 total registers gain of 14 percent over fiscal 1956 against the estimated 8 percent increase in the distributive national income.

The fiscal 1957 budget is a balanced one, without much cause neither for inflation nor for deflation. However, the expanded frames of the state fund loans and investments together with the tax reduction and the raised wages for government employees as well as the lifted fares in the National Railways imply stimulants towards inflation. The Government is urged for a careful execution of the new budget.



## 1. FISCAL 1957 BUDGET

| (In million yen)   | Fiscal<br>1956 | Fiscal<br>1957 | Increase<br>or (→)<br>Decrease |
|--|----------------|----------------|--------------------------------|
| Revenue :  |                |                |                                |
| Taxes & Stamps .....   | 826,717        | 946,915        | 120,198                        |
| State Monopoly .....   | 112,713        | 118,267        | 5,554                          |
| Gov't Enterprises .....  | 13,620         | 14,518         | 898                            |
| Disposition of State Properties ..                                       | 7,723          | 8,687          | 964                            |
| Miscellaneous Incomes .....  | 36,086         | 29,946         | (→)6,140                       |
| Surplus Carried Over from<br>Previous Fiscal Year .....                  | 38,064         | 19,131         | (→)18,933                      |
| Total .....  | 1,034,923      | 1,137,464      | 102,541                        |
| Expenditures :   |                |                |                                |
| Social Protection .....  |                |                |                                |
| Livelihood Protection .....  | 36,279         | 36,537         | 228                            |
| Juvenile Protection & Other<br>Social Welfare Activities .....           | 7,621          | 9,311          | 1,690                          |
| Aid to Bereaved Families &<br>Families of Unrepatriated ....             | 4,959          | 7,085          | 2,126                          |
| Social Insurance .....   | 16,069         | 20,129         | 4,060                          |
| Unemployment Measures .....  | 35,167         | 34,792         | (→) 375                        |
| Anti-TB Measures .....   | 13,366         | 14,795         | 1,429                          |
| Education .....  |                |                |                                |
| Subsidy for Compulsory<br>Education .....                                | 76,950         | 84,700         | 7,750                          |
| State Schools .....  | 33,353         | 36,908         | 3,555                          |
| Educational Facilities .....   | 8,065          | 8,855          | 790                            |
| Scholarship .....  | 4,202          | 4,252          | 50                             |
| Promotion of Scientific<br>Technology .....                              | 11,495         | 17,875         | 6,380                          |
| Government Bonds .....   | 38,530         | 36,142         | (→)2,388                       |
| Pensions .....   |                |                |                                |
| Pension for Gov't Officials .....  | 17,298         | 17,475         | 177                            |
| Pension for Ex-soldiers .....  | 72,630         | 78,615         | 5,985                          |
| Redistribution of Taxes for<br>Local Governments .....                   | 162,798        | 186,760        | 23,962                         |
| Defense Expenses .....   | 140,765        | 141,165        | 400                            |
| Reparations Expense, Etc. ....   | 10,000         | 21,500         | 11,500                         |
| Public Works .....   | { 152,343*     | { 175,367*     | { 23,024*                      |
|  | { 141,943      | { 164,467      | { 22,524                       |
| Food Control .....   | { 36,395*      | { 37,690*      | { 1,565*                       |
|  | { 35,560       | { 37,125       | { 1,565                        |
| Road Repairing .....   | { 34,741*      | { 54,827*      | { 20,086*                      |
|  | { 26,431       | { 45,837       | { 19,406                       |
| Harbor & Port Facilities .....   | { 10,633*      | { 14,770*      | { 4,137*                       |
|  | { 9,413        | { 13,737       | { 4,324                        |
| Food Production Increase .....   | 24,720         | 26,892         | 2,172                          |
| Rehabilitation from Disaster<br>Damage .....                             | { 44,071*      | { 39,852*      | { (→)4,219*                    |
|  | { 44,006       | { 39,810       | { (→)4,196                     |
| Rehabilitation of Mining .....   | 1,313          | 566            | (→) 747                        |
| Land Development .....   | 500            | 500            | 0                              |
| Housing & Public Hygienic Measures                                       | 10,397         | 11,380         | 983                            |
| Farm Insurance .....   | 11,162         | 10,723         | (→) 439                        |
| Subsidy for Interest on Loans for<br>Construction of Ocean-Going Vessels | 3,122          | 0              | (→)3,122                       |
| Reserves .....   | 8,000          | 8,000          | 0                              |
| Miscellaneous .....  | 170,752        | 186,028        | 15,276                         |
| Total .....  | 1,034,923      | 1,137,464      | 102,541                        |

Note: Figures with \* under "Public Works" include special unemployment relief expenses and temporary employment measures expenses.

In the tax reduction under the proposed income tax revision plan, the limits of the legal exemption, the exemption for dependents and the wage income ex-

emption will be raised and the progressive tax rates will be markedly lowered. The legal exemption limit will be elevated to ¥90,000 from the present ¥80,000 and the exemption for the first dependent will be boosted from ¥40,000 to ¥50,000, although the exemptions for other dependents will be left intact at the present levels (¥25,000 each for the second and third dependents and ¥15,000 for others). Thus, the minimum taxable limit of the wage income will be elevated from ¥106,700 to ¥118,400 and that of the business income from ¥84,200 to ¥90,000. Consequently, the lowest taxable limit of the standard wage income (for the household of five—a couple with three children) will rise from ¥246,700 to ¥268,700 and that of the business income from ¥194,700 to ¥205,000. Through this new manipulation, the number of income tax payers will dwindle by 1,200,000–1,300,000 from the fiscal 1956 total estimated at 10,350,000.

The legal exemption for wage incomes is a measure to rectify the heavier tax burden on wage earners. Under the present taxation formula, the legal exemption for wage incomes stands at 20 percent for the annual income up to ¥400,000 (the maximum limit—¥80,000). In the revision plan, the exemption is set at 20 percent for the annual income up to ¥400,000 and 10 percent for the annual income over ¥400,000 and up to ¥800,000 with the maximum limit raised to ¥120,000. The income tax cuts enforced on several occasions since fiscal 1950 were mostly based on the elevation of various exemptions. In closer analysis, 80 percent of tax cuts from 1950 through 1956 were based on the raises of the exemption frames and the remaining 20 percent depended on the real reductions of tax rates. In the forthcoming tax revision for fiscal 1957, the lowering of the progressive tax rates will be enforced on a large scale, as the cut of some ¥70,000,000,000 of the total ¥109,000,000,000 reduction will be enforced through the lightening of the tax rates with special stress placed on the ¥400,000–1,000,000 annual income bracket most heavily hit by the radical boost of progressive rates since the war's termination.

## 2. INCOME TAX CUT PLAN (In ¥ 1,000)

| Tax rates<br>(%) | Present  | Revised | Tax rates<br>(%) | Present  | Revised    |
|------------------|----------|---------|------------------|----------|------------|
| 10.....          | Under 50 | 50      | 45.....          | Over 800 | Over 4,000 |
| 15.....          | Under 30 | Over 50 | 50.....          | " 1,200  | " 6,000    |
| 20.....          | Over 30  | " 200   | 55.....          | " 2,000  | " 10,000   |
| 25.....          | " 80     | " 500   | 60.....          | " 3,000  | " 20,000   |
| 30.....          | " 150    | " 1,000 | 65.....          | " 5,000  | " 30,000   |
| 35.....          | " 300    | " 1,500 | 70.....          | " —      | " 50,000   |
| 40.....          | " 500    | " 2,500 |                  |          |            |

Source: Ministry of Finance.

## 3. INCOME TAX BURDENS UNDER REVISED TAX PLAN (In yen)

| Annual Income .....            | 150,000 | 200,000 | 250,000 | 300,000 | 400,000 | 500,000 | 700,000 | 1,000,000 | 2,000,000 | 5,000,000 | 10,000,000 |
|--------------------------------|---------|---------|---------|---------|---------|---------|---------|-----------|-----------|-----------|------------|
| Wage Earner :                  |         |         |         |         |         |         |         |           |           |           |            |
| Bachelor —                     |         |         |         |         |         |         |         |           |           |           |            |
| At present .....               | 5,000   | 12,500  | 21,375  | 30,750  | 54,500  | 85,627  | 155,580 | 275,910   | 752,900   | 2,486,600 | 5,733,250  |
| Fiscal 1957 .....              | 2,979   | 8,228   | 14,818  | 21,495  | 36,645  | 57,166  | 100,344 | 183,536   | 527,416   | 1,863,143 | 4,514,968  |
| After Fisc. 1958 .....         | 2,398   | 6,797   | 12,612  | 18,335  | 30,796  | 48,430  | 83,790  | 154,950   | 454,130   | 1,657,200 | 4,107,500  |
| Cut (in Fisc. 1957-%) .....    | 40.4    | 34.1    | 30.6    | 30.0    | 32.7    | 33.2    | 35.5    | 33.4      | 29.9      | 25.0      | 21.2       |
| Cut (After Fisc. 1958-%) ..... | 52.0    | 45.6    | 40.9    | 40.3    | 43.4    | 43.4    | 46.1    | 43.8      | 39.6      | 33.3      | 28.3       |
| Couple with three children —   |         |         |         |         |         |         |         |           |           |           |            |
| At present .....               | —       | —       | 375     | 6,500   | 24,500  | 52,895  | 117,757 | 232,920   | 700,400   | 2,423,600 | 5,665,000  |
| Fiscal 1957 .....              | —       | —       | —       | 3,251   | 15,384  | 31,840  | 73,625  | 151,192   | 483,822   | 1,808,300 | 4,454,500  |
| After Fisc. 1958 .....         | —       | —       | —       | 2,390   | 12,722  | 25,947  | 60,790  | 126,200   | 413,880   | 1,605,450 | 4,050,000  |
| Cut (in Fisc. 1957-%) .....    | —       | —       | 100.0   | 49.9    | 37.2    | 39.8    | 37.4    | 35.0      | 30.9      | 25.3      | 21.3       |
| Cut (After Fisc. 1958-%) ..... | —       | —       | 100.0   | 63.2    | 48.0    | 50.9    | 48.3    | 45.8      | 40.9      | 33.7      | 28.5       |
| Business Proprietor :          |         |         |         |         |         |         |         |           |           |           |            |
| Bachelor —                     |         |         |         |         |         |         |         |           |           |           |            |
| At present .....               | 11,000  | 22,000  | 34,250  | 48,500  | 78,750  | 113,750 | 189,000 | 314,250   | 799,500   | 2,450,000 | 5,785,250  |
| Fiscal 1957 .....              | 7,906   | 16,437  | 25,343  | 35,187  | 57,843  | 81,593  | 134,718 | 222,375   | 580,968   | 1,928,468 | 4,574,093  |
| After Fisc. 1958 .....         | 6,500   | 14,000  | 12,500  | 29,500  | 49,500  | 69,500  | 115,000 | 190,000   | 506,000   | 1,722,000 | 4,167,500  |
| Cut (in Fisc. 1957-%) .....    | 28.1    | 25.2    | 26.0    | 27.4    | 26.5    | 28.2    | 28.7    | 29.2      | 27.3      | 24.0      | 20.9       |
| Cut (After Fisc. 1958-%) ..... | 40.9    | 36.3    | 37.2    | 39.1    | 37.1    | 38.9    | 39.1    | 39.5      | 36.7      | 32.2      | 27.9       |
| Couple with three children —   |         |         |         |         |         |         |         |           |           |           |            |
| At present .....               | —       | 750     | 9,000   | 19,500  | 47,000  | 77,000  | 147,000 | 267,000   | 747,000   | 2,477,000 | 5,717,000  |
| Fiscal 1957 .....              | —       | —       | 5,875   | 14,250  | 32,375  | 54,875  | 102,375 | 188,625   | 537,375   | 1,873,625 | 4,513,625  |
| After Fisc. 1958 .....         | —       | —       | 4,500   | 11,750  | 26,750  | 46,500  | 86,500  | 161,250   | 465,750   | 1,670,250 | 4,110,000  |
| Cut (in Fisc. 1957-%) .....    | —       | —       | 100.0   | 34.7    | 26.9    | 31.1    | 28.7    | 30.3      | 29.3      | 28.0      | 21.0       |
| Cut (After Fisc. 1958-%) ..... | —       | —       | 100.0   | 50.0    | 39.7    | 43.0    | 39.6    | 41.1      | 39.6      | 32.5      | 28.1       |

Source: Ministry of Finance.

Note: Revised tax rates are applicable from April for 1957; all through the year thereafter.



THE notable shift of Japanese Socialists to the left was noted in the decisions reached at the 13th national convention of the Japan Socialist Party held at the Shinagawa public hall, Tokyo for three days

#### NEW SOCIALIST POLICY

from January 17 through 19.  
The meeting, the first of the kind since the "unification"

convention in October, 1955, was the scene of frontal clash between the leftist and rightist groups within the party over major issues including the campaign policy, the action program and the election of new executives. The Japan Socialist Party has recently been noted to be endeavoring to adopt more realistic policies apparently in preparation for coming into power. Such attempts were clearly witnessed in the Socialist five-year economic plan and the budget program which Socialist experts compiled to counter the Government budget plan. Equally realistic and moderate were the contents of the action program drafted by the executive committee for presentation to the 13th national convention. This action program read roughly as follows: "With the two-party system in operation, the Socialist Party, as the Opposition, stands under an important political obligation. If, therefore, the Conservative regime begins to find it difficult to retain the reins of government any longer because of the policy deadlock, the accepted rule of democracy will come to require the Socialist Party to take its place and establish a Socialist government with the support of the people." Thus, the original action policy clarified the stand of the Socialist Party, as the Opposition of the Liberal-Democratic Party, to respect parliamentarism. This attitude was strongly opposed by the left-wingers who demanded the amendment of the original draft by asserting that the reins of government should be seized through day-by-day struggles and not by any accidental reasons. They had their demand through and the original draft of the executive committee was amended as follows: "The Socialist Party cannot expect to be able to seize the reins of government by lukewarm measures, as the enemy as a whole is still strong. In order to come into power by ousting enemy obstacles, therefore, many and various preparations, such as the promotion of mass campaigns and the expansion and strengthening of the (Socialist) party organization are considered indispensable." The Socialist Party has thus returned again to its original position of a "class" party despite the recent effort by its moderate elements to become a national party. The clear aboutface of the Socialists to the left was also witnessed in the discussions over the analysis of international developments, and the action policy approved at the convention was marked by a strong anti-American color contrasted with the notable weakening of the anti-Communist sentiment. In view of the noteworthy switch of the action policy towards the left and the domination of left-wingers in the central executive committee by taking 22 against 18 rightists (the committee was equally divided before), the expansion of the weight of the leftist elements within the party is undeniable. With Sohyo (General Council of Japanese Trade Unions) now the predominant string-puller at the back of the leftist Socialists, the future attitude of the Socialist Party in parliamentary procedures and party activities outside the Diet will be overwhelmingly controlled by trade unions. Major party executives as designated at the 13th convention are as follows: Chairman of the Central Executive Committee, Mr. Mosaburo Suzuki (leftist-reelected); Secretary-General, Mr. Inejiro Asanuma (rightist-reelected); Chairman of the Financial Committee, Mr. Ushiro Ito (rightist-reelected); Chairman of the Political Council, Mr. Hiroo Wada (leftist-new); Chairman of the Control Committee, Mr. Kanju Kato (rightist, reelected); Chairman of the Election Committee, Mr. Kozo Sasaki (leftist-reelected); Chairman

of the Diet Policy Committee, Mr. Kanemitsu Hososako (leftist-new).

JAPANESE expectations for the return of Japanese detainees from Soviet Russia and Korea by the end of 1956 were partly betrayed. Only the repatriates from the Soviet Union landed on Japanese

#### JAPAN-KOREA TALKS

soil in time to greet the New Year in their fatherland while not a single release was announced by

the Seoul Government for the apparent reason that Japan and South Korea have not as yet come to terms in their long-drawn negotiations over outstanding issues. Of some 850 Japanese fishermen now being detained in Pusan on the charge of violating the so-called "Rhee Line," 700 have already served out their "sentences." With almost all Japanese nationals detained in other countries now back to Japan, the detention of so large a number of Japanese by the R.O.K. Government is an outrage intolerable in the Japanese national sentiment. The Japanese Government at the close of 1956 made enough concessions to the claims by the Korean side, in exchange for the early release of detained fishermen who have completed their "sentences," including the release within Japan of 1,400 Koreans (ordered for deportation and still held at the Omura camp due to the rejection by the Seoul Government to admit them into Korea). The Japanese side has even accepted the Korean demand not to take into the Omura camp the Koreans who have served out their sentences there, pending the decisions on the nationality and treatment of Korean residents in Japan (estimated at 600,000-800,000) through future Tokyo-Seoul negotiations. It is highly regrettable, in view of such recent developments, that the Korean side appears to be trying to make political use of the release of Japanese detainees in future negotiations with Tokyo. The release of detainees is a problem affecting humanity, which should be realized as soon as possible separately from other outstanding issues.

Japan, on its side, is urged to be positively sincere and realistic in manifesting its desire to resolve the outstanding problems by making concessions, if necessary, as the lukewarm attitude on the Korean side so far appears resultant from its incredulity regarding the Japanese promises. For instance, there is the question of the right of claim for Japanese property in Korea over which the two sides have been pitted against each other relative to the interpretation of Article 4 of the San Francisco Peace Treaty. With more than 11 years elapsed since the war's termination, there will apparently be no way of tracing the whereabouts of Japanese property in Korea and any prolonged controversy is bound to be the mere loss of time and will only make the Korean negotiators more fretful. Such an unfruitful tug-of-war should be replaced with a more realistic measure of reasonable compromise. The same is the case with the Kubota statement in which Mr. Kanichiro Kubota is reported to have said that Japan's administration was contributory to Korea. If the Korean side dislikes the statement, the Japanese side may cancel it with a good grace. Such cancellation will do no harm and the final verdict will be given by the third party. As regards the "Rhee Line," a definite agreement is also urgently required, as, otherwise, more Japanese fishermen will be captured even after the release of the present detainees. The decision on the "Rhee Line" should be based purely on scientific grounds considered acceptable from the standpoint of conserving marine resources through exhaustive studies by Japanese and Korean experts. In the problems like this, science should always precede politics, and it will be fair and judicial for the two countries to abide by the scientific verdict in reaching a settlement over the "Rhee Line."



## Business Indicators

**Prices:**—Wholesale prices, apparently calm from October through November, began to rebound from early December into the New Year. For instance, the average index of wholesale prices for the first week of January this year was up 2.7% over the like index in mid-November, last year. Foodstuffs made the most spectacular gain of about 10% during the interim on the strength of the rising demand for New Year specialities. As food would usually remain strong throughout the winter season, the present strength of food prices is likely to continue until late March. The pattern of the price hike since early December has been somewhat different from that in the preceding several months. Up to November, 1956, the rising tempo of the prices of producer goods was notably sharp (with the November index marking a gain of over 13% over a year ago) while the prices of consumer goods remained almost intact. From early December through the New Year, however, producer goods remained almost virtually unchanged while consumer goods soared at a swift tempo with the January index eclipsing the November (1956) equivalent by 7.5%. Thus, it is being feared in some circles that the rising tone of producer goods prices has at last begun to force consumer goods prices to follow suit. With the elevation of the consumption level generally believed to climb in the current fiscal year on the spur of the ¥100,000 million tax cut planned by the Ishibashi Cabinet, the consequent advent of inflationary developments has become the mark of general concern. National Railways is expected to announce a 15% boost of fares while the consumer price of rice is bound to be increased about 8%. In addition, the import prices of raw materials have been rising due to the elevation of freight rates since the Suez Canal crisis. Private railways are likely to raise their fares after the manner of National Railways and the increase of postal charges and electricity rates are being rumored. With all such stimulants in store, prices are destined to continue strong for months to come.

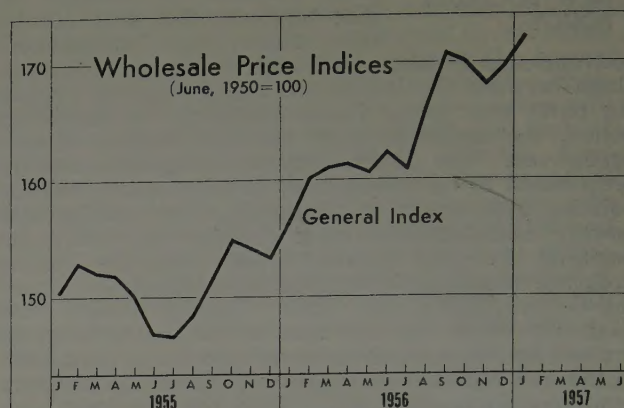
### 1. WHOLESALE PRICE INDICES

(June, 1950=100)

|   | Sept.,<br>1956 | Nov.<br>1956 | Jan.,<br>1957 | Against<br>Nov.,<br>1956 | Against<br>Jan.,<br>1957 |
|---|----------------|--------------|---------------|--------------------------|--------------------------|
| Total Average .....                     | 170.9          | 168.1        | 172.6         | 102.7                    | 110.1                    |
| Foodstuffs .....                        | 149.4          | 146.7        | 161.2         | 109.9                    | 108.3                    |
| Textiles .....                          | 92.1           | 92.2         | 92.4          | 100.2                    | 102.6                    |
| Fuels .....                             | 164.8          | 168.6        | 173.9         | 103.1                    | 108.4                    |
| Metals .....                            | 338.5          | 312.8        | 310.9         | 99.4                     | 120.1                    |
| Machinery .....                         | 188.7          | 191.7        | 196.1         | 102.3                    | 111.8                    |
| Building Materials .....                | 225.0          | 230.2        | 230.8         | 100.3                    | 112.4                    |
| Chemicals .....                         | 106.1          | 106.6        | 107.7         | 101.0                    | 103.2                    |
| Sundries .....                          | 133.8          | 135.1        | 136.5         | 101.0                    | 97.8                     |
| Consumer Goods .....                    | 143.4          | 142.4        | 153.1         | 107.5                    | 107.7                    |
| Producer Goods .....                    | 185.8          | 182.3        | 183.3         | 100.5                    | 111.4                    |
| Total Average<br>minus Foodstuffs ..... | 177.6          | 174.8        | 176.2         | 100.8                    | 110.7                    |

Note: As of mid-month.

Source: Economic Planning Board.



**Living Cost:**—Despite the hike of wholesale prices in 1956, however, the cost of living remained comparatively quiet throughout the year. For instance, the Tokyo consumer price index (surveyed by the Statistics Bureau of the Prime Minister's Office) in November, 1956 was only 1.9% higher than a year ago. The cardinal reason is that the hike of wholesale prices until late 1956 was confined almost exclusively to producer goods with consumer goods almost at a standstill. The hike of the prices of consumer goods, apparent since early December, however, is certain to cause the corresponding rise of the living cost. The consequent swelling of consumer purchasing will in turn spur the further rise of prices and may eventually lead to inflationary repercussions. Hence, the future trend of prices is worthy of close note. For the time being, however, the consumption trend appears still firm and stable.

### 2. TOKYO CONSUMER PRICE INDICES

(1951=100)

|                     | Oct.,<br>1956 | Nov.,<br>1956 | Against<br>Oct.,<br>1956 | Against<br>Nov.,<br>1955 |
|---------------------|---------------|---------------|--------------------------|--------------------------|
| Total Average ..... | 118.4         | 117.7         | 99.4                     | 101.9                    |
| Foodstuffs .....    | 113.2         | 112.1         | 99.0                     | 100.9                    |
| Staple .....        | 121.1         | 120.9         | 99.8                     | 97.9                     |
| Non-staple .....    | 109.1         | 107.5         | 98.5                     | 103.0                    |
| Clothing .....      | 83.0          | 83.1          | 100.1                    | 101.1                    |
| Light-Fuel .....    | 139.5         | 140.0         | 100.4                    | 100.9                    |
| Housing .....       | 145.2         | 145.1         | 99.9                     | 109.1                    |
| Miscellaneous ..... | 142.4         | 142.0         | 99.7                     | 102.7                    |

Source: Bureau of Statistics, Prime Minister's Office

**Consumer Demand:**—The conservative gain of the consumption level in 1956 (up 5-6% over 1955) well bespeaks of the soundness of consumer spending despite the larger hike of wages of city dwellers and the swelling income of the agrarian community due to successive bumper rice crops in 1955 and 1956. A comfortable portion of increased income of wage-earners and farmers was thus earmarked for savings. Monthly department store sales, however, registered a marked upsurge of more than 20% in each month since the summer of 1956 over corresponding figures a year ago. In view of the fact that



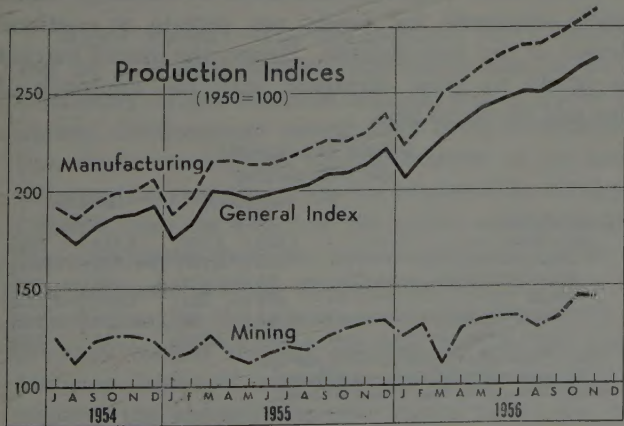
during the interim floor space of department stores was expanded by more than 10%, however, the sales increase was not particularly extraordinary. With consumer spending thus firm and comparatively conservative, there is apparently no risk of an abrupt soaring of prices in the near future in the absence of undersupplies due to a production slip. Exports, as demand from overseas, have been increasing soundly. Plant and equipment investments, markedly active since last year, have been properly braked due to the delay in the deliveries of necessary machinery as Japanese machinery manufacturers are holding huge backlogs of orders from home and overseas customers.

3. DEPARTMENT STORE SALES

|                 | 1955         |                             | 1956         |                             |
|-----------------|--------------|-----------------------------|--------------|-----------------------------|
|                 | ¥100 million | Indices (A year ago as 100) | ¥100 million | Indices (A year ago as 100) |
| April .....     | 166.3        | 108.3                       | 196.2        | 118.0                       |
| May .....       | 147.9        | 104.7                       | 176.2        | 119.2                       |
| June .....      | 147.1        | 107.2                       | 181.1        | 123.1                       |
| July.....       | 193.1        | 105.9                       | 236.9        | 122.6                       |
| August .....    | 142.4        | 102.7                       | 178.2        | 125.1                       |
| September ..... | 124.5        | 111.9                       | 156.5        | 125.7                       |
| October.....    | 173.7        | 100.4                       | 208.8        | 120.2                       |

Source: Compiled by The Oriental Economist from MITI figures.

**Production:**—The increasing tempo of production has been slackened somewhat as a reaction to an extremely marked expansion in the early months of 1956. Nevertheless, the production index (mining and manufacturing inclusive) in November, 1956 still registered a notable increase of 25.5% over a year ago. Of major items, ships made the sharpest gain of 2.2 fold while railway rolling stock rose 80% and machinery gained 56%. Textiles forged ahead by about 30% while ceramics, iron-steel, coal petroleum products and rubber goods also marked comfortable increments ranging from 20% to 26%. The continued animation of production has naturally caused some bottlenecks to appear. Outstanding among them are the undersupply of electric power, the lack of sufficient transportation facilities and the shortage of key materials like iron and steel. Such bottlenecks are bound to curb the rising tempo of production but not to any noticeable extent. With the new Ishibashi Cabinet expected to adopt a positive policy in removing such bottlenecks, however, production is cer-



tain to swell further at a tempo fair enough to maintain the harmonious balance of supply and demand.

4. NOVEMBER PRODUCTION INDICES  
(1950=100)

|                            | Oct., 1956 | Nov., 1956 | Against Oct., 1956 | Against Nov., 1955 |
|----------------------------|------------|------------|--------------------|--------------------|
| Mining-Manufacturing ..... | 263.2      | 268.1      | 101.9              | 125.5              |
| Mining .....               | 145.7      | 144.5      | 99.2               | 110.0              |
| Manufacturing .....        | 287.4      | 293.6      | 102.2              | 127.3              |
| Iron & Steel .....         | 229.0      | 252.2      | 110.1              | 122.2              |
| Non-Ferrous Metals .....   | 209.6      | 207.5      | 99.0               | 114.8              |
| Machinery.....             | 336.0      | 326.6      | 97.2               | 166.9              |
| Steel Ships .....          | 756.5      | 756.5      | 100.0              | 219.3              |
| Rolling Stocks .....       | 210.2      | 210.2      | 100.0              | 180.1              |
| Textiles.....              | 331.6      | 335.9      | 101.3              | 129.2              |
| Paper & Pulp .....         | 312.0      | 306.2      | 98.1               | 115.9              |
| Chemicals.....             | 261.9      | 257.3      | 98.2               | 118.7              |
| Pharmaceuticals .....      | 685.4      | 685.4      | 100.0              | 87.0               |
| Oil Products .....         | 551.0      | 555.6      | 100.8              | 119.9              |
| Ceramics .....             | 231.6      | 242.2      | 104.6              | 123.1              |
| Rubber Goods.....          | 209.9      | 200.9      | 95.7               | 125.7              |
| Leather Goods .....        | 231.9      | 234.2      | 100.8              | 116.1              |
| Daily Necessaries .....    | 247.8      | 243.0      | 98.1               | 114.6              |
| Lumber .....               | 176.8      | 176.8      | 100.0              | 113.8              |
| Foodstuffs.....            | 192.5      | 190.5      | 99.0               | 90.5               |
| Tobacco .....              | 156.1      | 143.3      | 91.8               | 99.3               |

Source: MITI.

**Inventories:**—Due to the continued animation of production, inventories have been on the hike. Manufacturers' inventories as of November, 1956 were 2.6% up over the like balance a year ago for the first time in many months, as the tempo of production gain eclipsed the pace of consumer demand swelling. From the start of 1956 up to October, however, the month-end manufacturers' inventories continued to stand below the equivalent balance a year ago, as the increase in consumption outpaced the hike in production. Despite the advent of new bottlenecks such as the steel supply shortage, the undersupply of electricity and the strains in transportation, production is bound to continue rising. Hence, the increasing tone of manufacturers' inventories are certain to keep on swelling and supply-demand balance will become further normalized. Merchants' inventories at the end of November were also 15.7% larger than a year ago, indicative of active restocking operations by retailers and wholesalers. Also on the gain were the inventories of raw materials which registered a sharp 44% increase as of the November-end over a year ago while the inventory index (the index of raw materials in stock 14.7% higher, mostly due to active imports.

5. INDICES OF MANUFACTURERS' INVENTORIES  
(1950 average=100)

|                             | Oct., 1956 | Nov., 1956 | Against Oct., 1956 | Against Nov., 1955 |
|-----------------------------|------------|------------|--------------------|--------------------|
| Mining-Manufacturing .....  | 136.1      | 139.7      | 102.6              | 100.9              |
| Mining .....                | 55.9       | 57.1       | 102.1              | 61.9               |
| Manufacturing .....         | 146.2      | 150.2      | 102.9              | 104.0              |
| Iron & Steel.....           | 160.6      | 163.0      | 101.5              | 98.8               |
| Non-ferrous Metals.....     | 78.6       | 75.7       | 95.7               | 110.3              |
| Machinery.....              | 143.6      | 155.6      | 108.4              | 96.1               |
| Textiles.....               | 115.7      | 118.9      | 102.8              | 109.8              |
| Paper, Pulp .....           | 238.1      | 229.6      | 96.4               | 80.4               |
| Chemicals.....              | 277.6      | 303.7      | 109.4              | 115.9              |
| Petroleum, Coal Products .. | 172.9      | 167.2      | 96.7               | 115.2              |
| Ceramics .....              | 131.6      | 124.3      | 94.5               | 86.9               |
| Rubber Goods .....          | 189.3      | 209.9      | 110.9              | 123.8              |
| Hides, Leathers .....       | 126.0      | 131.9      | 104.7              | 126.8              |
| Others .....                | 98.8       | 102.9      | 104.1              | 121.9              |

Source: Ministry of International Trade & Industry.



## Money and Banking

**Money in December:**—Money was busy and buoyant in December due to the year-end rush of transactions. The Bank of Japan note issue, which stood at ¥626,000 million at the close of November bulged ¥158,800 million during December to end the year at ¥784,800 million. The balance swelled to a new peak of ¥863,200 million on December 29, far eclipsing the 1955 year-end peak of ¥743,100 million (as of December 30). Equally energetic was the expansion of Bank of Japan loans which rose \$68,800 million during December to reach ¥139,900 million at the close of December, as compared with the November-end balance of ¥71,100 million. As in the case of note issue, the balance of loans also registered a huge total of ¥217,600 million as of December 29. Some of city banks, due to excessive borrowings from the Bank of Japan were compelled to pay interest at the rate higher than the official rate. This was a striking contrast as compared with December, 1955 when Bank of Japan loans receded ¥32,300 million. The soaring of call rates was well indicative of the notable bustle of the money market in December. The call rate (chiefly unconditional) as of December 30, 1955 when monetary transactions were particularly active still stood at 1.95 sen (per diem). In December, last year, the rate already rose to 2.40-2.50 sen by the middle part of the month, and finally hit the 2.70 sen mark on December 29 and 31. The extraordinary animation of the money market at the close of 1956 was attributable to three major factors. First, the governmental withdrawal of financial funds was extremely active. Reflecting the continued spell of business boom, the tax revenue as well as the incomes of National Railways, the Telegraph & Telephone Public Corporation and other public agencies increased sharply on the one hand and the Foreign Exchange Account registered a bulky excess of payments because of hiking imports. Second, loans extended by city banks to business and industry swelled markedly to cope with the expansion of plant and equipment investments and inventory financing. As of consequence, the increase of the balance of loans extended by all banks throughout the country as of the end of December reached a new postwar high of ¥223,854 million, eclipsing by far the like increase of real deposits of ¥189,306 million in the same month. In the third place, demands for funds grew markedly to take care of larger year-end bonuses and boosted dividends resulting from the continued boom as well as year-end business settlements.

**1956 in Retrospect:**—The movements of various economic indices in 1956 indicate the comfortable growth of the economic scale of the nation. The Bank of Japan note issue swelled ¥111,000 million during 1956, far exceeding the ¥51,800 million gain

in 1955. On the other hand, the financial funds in 1956 registered the receipt excess of ¥19,500 million in sharp contrast with the payment excess of ¥288,700 million witnessed in 1955. Thus, it may be noted that the swelling of the Bank of Japan note issue in 1956 was largely resultant from the rising volume of the borrowings from the Central Bank. This remarkable change in the basic keynote of the rising note issue is the advent of the accentuated animation of plant and equipment investments from about the summer of 1956. Thus, the export boom which predominated throughout 1955 and the first half of 1956 changed to the "investment boom." In this connection, the Bank of Japan apparently is attaching keen attention how the sharp swelling of note issue may affect the future trends of the national economy. Currency in circulation began to swell notably from about the spring of 1956 as investment operations started to become activated. Due to the Treasury-to-public balance amounting to ¥19,500 million in 1956 (as compared with the reverse balance of ¥288,700 million in 1955), loans extended by the Bank of Japan during the year increased ¥107,900 million in 1956. The money rate, which continued dipping until late summer, began to pick up from early November and continued comparatively stiff into 1957. It appears that the Bank of Japan is apparently apprehensive as to whether the Japanese economy may take a turn towards inflation under the impact of the latest developments including, above all, the trend of money rates, the diminution of the favorable balance of international accounts and the gradual hike of consumer prices.

**4th Quarter in Prospect:**—The last quarter of fiscal 1956 (January to March) is expected to mark the public-to-Treasury balance of ¥210,000 million (as contrasted with the similar withdrawal excess of ¥117,400 million in the like period in 1956), including ¥95,000 million in January, ¥50,000 million in February and ¥65,000 million in March. Thus, the financial funds in fiscal 1956 (April, 1956 to March, 1957) are expected to record a withdrawal excess of ¥112,000 million (as compared with the like excess of ¥276,000 million for fiscal 1955), far exceeding the original estimate of the ¥98,000 million withdrawal excess for the year.

With such a bulky withdrawal of financial funds likely, demands for funds are certain to continue active in the last quarter. Hence, the money market is bound to grow stringent with the approach of the end of fiscal 1956.

MONEY IN DECEMBER  
(In ¥100 million)

|                               | December,<br>1956 | Calendar<br>1956 |
|-------------------------------|-------------------|------------------|
| Bank of Japan                 |                   |                  |
| Note Issue .....              | 1,538 ( 1,145)    | 1,110 ( 513)     |
| Financial funds (1) .....     | 870 ( 1,792)      | ↔ 195 ( 2,887)   |
| Short-term Govt. notes (2) .. | 15 (↔ 403)        | 361 (↔ 396)      |
| Loans (3) .....               | 638 (↔ 323)       | 1,079 (↔ 2,114)  |
| Others (4) .....              | 45 ( 79)          | ↔ 135 ( 141)     |
| (1) (2) (3) (4) .....         | 1,538 ( 1,145)    | 1,110 ( 513)     |

Notes: Parenthesized figures are for a year ago:

↔ Decreases or withdrawal excesses.

Source: Compiled by *The Oriental Economist*.



## Stock Market

**New Summit:**—The stock market continued extraordinarily brisk into the New Year despite general expectations to the contrary. Trader circles in general were highly skeptical, if not particularly pessimistic, about the stock market showing immediately after the turn of the year in view of the presence of three prospective deterrents: 1) Large capital share payments due in January; 2) Certain tightening of money due to the public-to-Treasury balance; and 3) A sharp increase of outstanding loans extended by the Japan Securities Finance Co., Ltd. Caution against such dampers in store, already apparent in early December, were noted to be forcing some stocks to soften more or less from mid-December. The stock market remained comparatively quiet at the opening session on January 4, but the calm was short-lived. From January 5, all leading shares began to rebound with the Dow-Jones averages registering successive new highs. According to the survey by the Tokyo Securities Exchange, the Dow-Jones average, which stood at ¥549.45 on January 4 leaped to ¥568.34, well eclipsing the past peak of ¥566.30 recorded on December 6 and marking a comfortable hike of 3.4% within a week or so. The daily volume of transactions, which was rather small at the start (the daily average standing at 22,417,000 shares for the period from January 4 to 10) also began to increase and swelled to 40,047,000 shares on January 10 (as compared with the daily average of 39,673,000 shares for November and 28,163,000 shares for December).

### 1. AVERAGE SHARE PRICES & DAILY TURNOVERS

|                      | Average Share Prices<br>(Yen) |        |         | Average<br>Daily<br>Turnovers<br>(1,000 shares) |
|----------------------|-------------------------------|--------|---------|---|
|                      | High                          | Low    | Average |   |
| 1956: June .....     | 512.25                        | 491.03 | 502.21  | 27,528  |
| July .....           | 502.14                        | 482.87 | 490.81  | 16,042  |
| August .....         | 507.31                        | 493.69 | 503.03  | 15,450  |
| September .....      | 492.92                        | 482.70 | 487.24  | 12,127  |
| October .....        | 508.98                        | 487.15 | 496.19  | 19,996  |
| November .....       | 556.58                        | 512.94 | 532.76  | 39,673  |
| December .....       | 566.80                        | 542.91 | 554.92  | 28,163  |
| 1957: *January ..... | 568.34                        | 549.45 | 559.57  | 22,417  |

\*From January 4 to 10.

Source: Compiled by *The Oriental Economist*.

**Major Spurs:**—The unexpectedly early rebounding of the stock market was chiefly due to the increasingly bright business outlook both at home and abroad. Predominant among such latest stimulants to the stock market are: 1) Stabilization of the political situation resulting from the advent of the Ishibashi Cabinet, plus the relief of the public sentiment plus the expectation that the positive economic policy of Mr. Ishibashi will be properly carried out plus the expectation that the inflationary developments will be properly curbed through the combination of Prime Minister Ishibashi and Finance Minister Ikeda in pushing the positive economic policy under the new

administration; 2) The increasing certainty that the international plateau boom and the domestic business pickup will continue, that corporate results will keep on improving and that capital and dividend expansions will remain unabated; 3) The fact that investment potentials of leading securities companies and general share investors have been strengthened after a series of share price leaps in the past one and half years and that small businessmen and industrialists have enough funds at their disposal for share investments due to the continued boom; and 4) The rising possibility of the further upsurge of share prices under the support of the foregoing accelerators despite the tightening trend of money and the bulky volume of capital share payments in January.

It appears that the latest stimulants have been too attractive to the masses to pay attention to the presence of any deterrents, if any. Increasing share investments by the masses and the fair progress of investment trust business have further added to the reanimation of the stock market. Some circles are not unconditionally optimistic over the future prospects, as they find possible dampers in the reopening of the Suez Canal with its effects on ocean shipping rates and international prices, the possible dissolution of the Lower House and the uncertainty of the policy of the new British Cabinet. Such caution against future uncertainties, which has become more evident in recent weeks, on the other hand, have been working to restrict any excessive changes in share prices. Yields of leading shares are on the wane. According to the Tokyo Securities Exchange, the average yield of the 225 pivots stands at 6.20% and that of the 209 dividend-giving stocks at 6.48%, some 1.0% lower than the yield of leading industrial bonds at 7.35%. In this respect, it may appear that there is no further room for high-yield investments in stocks. Although some stocks have thus been bought to the last limits of yields due to the latest hike of share prices, however, all such yields have been based on the dividends given for the last term. Many leading companies are expected to revive or increase dividends on their shares for the current term ended in March or in the following term while some other companies are planning to boost capital. Hence, yields on many shares are likely to increase to give more room for buying by prospective investors.

**Heavy Industries Leading:**—The latest share price march was led by heavy industries. According to the Tokyo Securities Exchange, the 225 pivots, classified into 22 groups, registered the average gain of 3.40% during the period from January 4 through 10. (Note: the grouping of the 225 pivotal shares listed by the Tokyo Securities Exchange was



revised as from the first session for 1957. Instead of 14 groups into which the 225 leaders were divided before, they are now classified into 22 groups, as shown in Table 2). Of the 22 groups, five groups, more or less affiliated with heavy industrial branches, marked hikes in excess of the total average.

Major gainers included petroleum and coal products which went up 9.38%, precision machines which rose 8.20%, primary metals which hiked 7.56%, transportation machinery which soared 5.88%, "other" manufacturing industries which surged up 4.7%, electric machinery and appliances which gained 3.86%, chemicals which advanced 3.36% and mining which forged ahead 3.29%.

Traders are generally expecting the companies responsible for such leading industrials to continue to make just as fair showings in the future as in the past, a rush after such industrials is certain to continue. One of the noteworthy trends of investors since the turn of the year has been the increasing interest shown in shares of leading corporations with large capital. This is striking contrast with the notable run after shares of smaller companies reporting good results in 1956 because of prospective dividend gains and capital expansion. During the past few years, however, the scale of Japanese economic and industrial operations has expanded so energetically that the future economic growth of the

nation has come to depend on the expansion of larger concerns. Traders, quick to sense the changing situation, have begun to pursue stocks of key corporations with the certain possibility of future enlargement.

## 2. SHARE PRICE MOVEMENT BY GROUP

|                               | Jan. 4<br>¥ | Jan. 10<br>¥ | Gains<br>¥ | %    |
|-------------------------------|-------------|--------------|------------|------|
| Average of 225 Pivotal.....   | 549.45      | 568.34       | 18.89      | 3.40 |
| Fisheries.....                | 175.74      | 178.68       | 2.94       | 1.66 |
| Mining .....                  | 398.97      | 412.11       | 13.14      | 3.29 |
| Foodstuffs .....              | 1011.00     | 1033.33      | 22.33      | 2.20 |
| Textiles .....                | 625.06      | 639.29       | 14.23      | 2.27 |
| Paper, pulp .....             | 735.42      | 743.23       | 7.81       | 1.06 |
| Chemicals .....               | 349.45      | 361.20       | 11.75      | 3.36 |
| Petroleum, coal products ..   | 1263.33     | 1381.67      | 118.34     | 9.38 |
| Glass, clay, stone products.. | 769.70      | 787.88       | 18.18      | 2.36 |
| Primary metals .....          | 176.22      | 189.55       | 13.33      | 7.56 |
| Machinery .....               | 272.24      | 282.75       | 10.51      | 3.86 |
| Electric machines, tools....  | 282.04      | 298.66       | 16.62      | 5.88 |
| Transportation machinery ..   | 305.49      | 330.55       | 25.06      | 8.20 |
| Precision machines .....      | 272.67      | 285.71       | 13.04      | 4.78 |
| Other manufacturing .....     | 406.35      | 419.05       | 12.70      | 3.12 |
| Commerce .....                | 1099.29     | 1115.00      | 15.71      | 1.43 |
| Banking, insurance .....      | 625.85      | 639.46       | 13.61      | 2.17 |
| Real estate .....             | 1583.61     | 1647.54      | 63.93      | 4.03 |
| Land transportation .....     | 329.18      | 337.83       | 8.75       | 2.65 |
| Ocean shipping .....          | 333.59      | 340.93       | 7.34       | 2.20 |
| Warehousing .....             | 945.00      | 957.50       | 12.50      | 1.32 |
| Electricity, gas .....        | 205.70      | 211.54       | 5.84       | 2.83 |
| Service professions .....     | 350.61      | 352.61       | 2.00       | 0.57 |

Source: Compiled by *The Oriental Economist*.



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# Industrial Innovation Boom

THE postwar growth rate of the Japanese economy has been maintained at the high level of about 10 percent per annum, which is considerably higher than the prewar (1930-36 average) rate of 3 percent. In comparison with the industrial nations of the West, the growth rate is high, being on par with that of Western Germany.

The riddle posed by this amazing advancement is generally explained away in the following manner: first, there were the extraordinary requirements created by postwar reconstruction, which supported this growth, this was followed by the Korean war boom subsequent to mid-1950; while from 1953 there took place considerable expansion of fiscal investments; and from 1955 Japan's export trade made remarkable strides.

This explanation fails to take due note of another development—the occurrence of an industrial innovation boom—throughout the world. It also does not recognize the fact that this technological evolution has been particularly notable in the case of Japan, and that its effects on the economy have been deep and far-reaching.

## Economic Background

It should therefore be worthwhile to delve into the economic factors contributing to the technological advancements that have been and are being effected.

The period from the Japanese surrender up to 1949 can be considered a time of technological vacuum. Because of the need to cope with absolute shortages of almost every kind of goods and services, production in volume at any cost was mandatory. Furthermore, being in a state of technological and economic isolation from the rest of the world as a result of the military occupation, there existed little or no stimulus for technical progress.

From 1949, however, with the adoption of the Dodge Plan of austerity and disinflation, and with the establishment of a universal rate of exchange for the yen currency at ¥360 to the U.S. dollar, there occurred a revolutionary shift in the circumstances governing technological advancement.

The setting of a single exchange rate for all Japanese goods forced Japanese industry into competition with the rest of the world, and for the first time since the war were Japanese industrialists and businessmen shown how far behind Japan had lagged in technology in practically all fields of production.

Secondly, the abolition or relaxation of controls permitted the resumption of competition in the domestic market. In consequence it became unavoidable for all enterprises desirous of remaining in business to undertake under conditions of sharp competition reforms in methods of production, modernization of

plant and equipment, and the development of potential markets through the introduction of new products.

However, because of the long years of isolation, which began from before the war, Japanese enterprises were severely handicapped by extreme backwardness in their industrial technology. Realizing that this had to be overcome in the speediest and most effective way, there was a rush toward induction of foreign knowhow and technology in almost every field of industry. Furthermore, in order to finance this regaining of industrial proficiency there was undertaken positive fiscal aid through the Development Bank and other financial institutions, while special tax benefits were put into effect.

The induction of overseas technology became definitely possible from 1950 when the Foreign Investment Law was enacted to guarantee payments over a number of years to foreign investors and owners of industrial properties.

The reception of foreign technological assistance since that time will be outlined below. Class A technological assistance contracts (based on the Foreign Investment Law, with term of contract in excess of one year) numbered 105 cases in fiscal 1952-53; and although numerically there has since been a steady decline the payment of royalties has followed an uptrend with about ¥6,500 million paid in fiscal 1955-56. With Class B contracts (based on the Foreign Trade and Exchange Control Law, with term of contract not exceeding one year), the peak of 141 cases was reached in fiscal 1954-55; and there was a slight decline in fiscal 1955-56. However, royalty payments have stood at a level between ¥700 million to ¥1,000 million each year.

Although induction of technology is dispersed over almost the whole of Japan's industry, the bulk has been concentrated in the heavy and chemical

## 1. VALIDATIONS OF FOREIGN TECHNOLOGY IMPORTATION (Number of cases)

|                             |   | Fiscal<br>1950-51 | Fiscal<br>1951-52 | Fiscal<br>1952-53 | Fiscal<br>1953-54 | Fiscal<br>1954-55 | Fiscal<br>1955-56 |
|-----------------------------|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Heavy & Chemical Industries | A | 47<br>(2,254)     | 58<br>(1,512)     | 91<br>(2,561)     | 83<br>(3,457)     | 64<br>(3,738)     | 63<br>(6,191)     |
|                             | B | 47                | 86                | 99                | 113               | 119               | 99                |
| Other Industries            | A | 5<br>(119)        | 4<br>(121)        | 14<br>(348)       | 19<br>(656)       | 19<br>(946)       | 9<br>(276)        |
|                             | B | 2<br>(3)          | 1<br>(40)         | 11<br>(46)        | 20<br>(92)        | 22<br>(68)        | 14<br>(33)        |
| Total                       | A | 52<br>(2,387)     | 62<br>(1,633)     | 105<br>(2,909)    | 102<br>(4,113)    | 83<br>(4,684)     | 72<br>(6,467)     |
|                             | B | 49<br>(768)       | 87<br>(712)       | 110<br>(646)      | 133<br>(868)      | 141<br>(1,002)    | 113<br>(732)      |

Notes: 1) Parenthesized figures are royalty payments in million yen.  
2) "A" based on Foreign Investment Law.  
"B" based on Foreign Trade and Exchange Control Law.  
3) "Heavy & Chemical Industries" includes machinery, aircraft, electrical equipment, mining & metallurgy, industrial (applied) chemistry, etc.

Source: Ministry of Finance.



industries. Consequently, it is to these categories of industry that the greater portion of the allocations of imported machinery and equipment, on which special or accelerated depreciation has been granted for industrial modernization, have been made.

It goes without saying that there have been some purely Japanese developments such as vinylon, urea, and the smelting of titanium, the new wonder metal. However, most of the recently notable new products and processes are the outcome of induction of foreign techniques or the importation of new foreign machinery.

### Modernization Trends in Key Industries

What then have been the technological advances made in the various segments of industry?

1) *Commercial Production of New Products* In this classification, the biggest strides have been made in a) synthetic resins, synthetic textiles, and organic chemical products in general; b) electronics; and c) titanium, zirconium, and other "new" metals.

Whereas in fiscal 1950-51 there were produced only 14,000 tons of synthetic resins, the production level in fiscal 1953-54 stood at 50,000 tons, rising further to 100,000 tons in fiscal 1955-56. It is expected that the 1956-57 output will top 132,000 tons.

Production of synthetic textiles first took place in Japan as late as 1950 with the commercialization of the nylon and vinylon processes. Subsequent research led to pilot production of vinylidene and polyacrylonitril fibers which are expected to be commercially manufactured in the immediate future. As against the 1950 output of 1 million pounds of synthetic fibers, the 1954 level was 25.8 million pounds; while the phenomenal level of 48.35 million pounds was achieved in 1955. Vinylon was developed by Japanese technicians employed for the most part by the Kurashiki Rayon Company, and it is one of the few new products that have resulted from native ingenuity and endeavor. One notable feature of this product is that it is made from limestone and coal, which are readily available in Japan.

In the electronics field, the advent of the transistor and domestic manufacture of this compact electronic component have given impetus to manufacture of miniature radios and other miniaturized equipment. TV tubes are now being produced domestically in sufficient quantities, while great improvements in performance have been effected. Electronic measuring devices, the electron microscope, tape recorders, radar equipment, and electronic computers, the tools of modern industry and science have been developed and are fast approaching world standards in quality, performance and cost.

With the new metals, the smelting and refining of titanium on the basis of purely Japanese methods was started in 1952, and production has risen from the 1 ton of 1952 to 610 tons in 1954 and 1,250 tons in 1955. But because there is very little demand for this metal in Japan, and because the price is high

as compared to other metals, almost the entire output is in the form of titanium sponge for export.

In petrochemicals, industrialization on a major scale was started in 1955 and the build-up of plant is now under way. It is therefore expected that certain new petrochemical products will become available during 1957.

2) *Improvements in Quality and Performance* With the shift from emphasis on quantity to acceptable quality in order to cope with market competition, there has taken place a long and patient struggle to improve the quality and performance of the goods produced in Japan. Subsequent to 1950 the quality of steel, machinery, textiles, metals, and other commodities has been incomparably better and more uniform than before the war. With steel sheet for instance, the adoption of the continuous cold strip mill process has brought about a revolutionary improvement in quality, while domestically refined nickel now is of sufficiently high purity to be used in electronic devices. With aluminum metal, whereas the prewar purity standard averaged about 99.2 per cent to 99.3 percent, the present standard is from 99.6 to 99.7 percent aluminum, inferior in no way to foreign products. Electrolytic zinc of 99.99 percent purity is now available in volume, and is being widely used for diecasting and other processes.

3) *Higher Productivity* Technological advances have contributed in no small way toward lower unit cost and higher productivity. In coal mining, for instance, the adoption of the Kappe method and mechanization of haulage have so increased productivity that as against the 8.7 tons per worker (both surface and underground) per month of 1950, the output rose to 12 tons in 1954 (close on 40 percent). In steelmaking, larger furnaces, the utilization of automatic controls, and the use of oxygen have so improved efficiency that during the four years ended with 1954 there was a 40 percent reduction in the amount of thermal energy required for the production of open hearth steel. In shipbuilding, the use of welding and block assembly methods has cut down the construction time to about one-half that of rivetted hulls; while the amount of direct labor involved has been reduced recently to about 65 percent of the 1949-50 average. The amount of steel used also has declined by about 12.7 percent over the same period. In this way the price of the finished ships has been reduced to compare favorably with those built in British yards, and ships have become one of Japan's major export items.

4) *Utilization of Available Material Resources* In Japan where materials tend to be scarce the bulk of industrial supplies has to be purchased abroad. Such being the situation, much thought and effort went into devising ways and means of making effective use of domestically available materials. However, the outcome of these activities, which have been going on since during the war, had been of little commercial value. Recently, there have been some



breakthroughs: the utilization of iron pyrites as ore for iron smelting, the use of broad-leaved species of lumber for pulpmaking, the utilization of low-grade coal, and the production of alcohol from pulp waste.

### Automation

Automation in Japan is faced by certain inherent problems such as overpopulation and the more than adequate supply of labor. Consequently, some quarters advocate particularly careful study of the problem before undertaking large scale automation of industry. "On the other hand, the need for higher productivity and lower cost is spurring on the trend toward positive adoption of automated controls and processes.

The fields in which automation is relatively advanced in Japan are electric power generation and transmission, and the chemical industry. In electric power generation, the hydro power facilities had since years ago been using automatic controls to reduce manpower requirements. Today, some of the power companies have in operation hydro power stations that are practically uninhabited. The Chugoku Power Company completed in 1955 with its Shibakigawa No. 2 Station, is completely unmanned. Everything in this station, including turbines, generators, transformers, and feed circuits are remote-controlled from the Doi Station. In addition, an industrial TV circuit has been installed to permit visual supervision of all that takes place at the remote station.

With thermal plants, advances in control methods have led to centralization of controls and efficient use of manpower. In 1955 and 1956 there were built in Tokyo, Hyogo and Hokkaido high efficiency thermal power plants of the 66,000 KVA class, with modern high pressure (88 atmospheres), high temperature (510° C.) steam facilities. In all these new plants the boilers, turbines, generators, and other equipment are controlled from a central control board, and manpower is reduced to a minimum. As against the late twenties the personnel requirements of thermal stations is now one-sixth, and about one-third as against the mid-thirties.

In the chemical plants it is possible to see at first hand the modern trend toward continuous flow and automatic controls. This feature is particularly notable in the petroleum refineries; and today, almost all the refineries of Japan are fully automated, being controlled from a central control board with graphic panels indicating the flow and condition of the processes.

The graphic panel system is not restricted by any means to the petroleum refinery field, and in recent years widespread utilization of this centralized control system has been seen in fertilizer production, chemical fibers manufacture, gas generation, and other flow operations. As an example of new automated plants can be cited the recently completed Onahama Plant of Nippon Suiso K.K., built with

technological assistance from Koppers of Western Germany. One of the automatic processes at this plant is the combustion of powder coal in conjunction with oxygen to produce the maximum amount of gas. As compared with the old coke oven process there is far less danger, and the crew per furnace is reduced to one-third of the former size. Another notable example is the Ashigara Plant of Fuji Photo Industry Company. Here, manufacture of photographic film is completely automatic, being done in complete darkness. The adoption of automatic controls has resulted in safety and in uniformity of the product.

Unlike the examples mentioned above, it is difficult to introduce full automation into such manufacturing processes as are undertaken in making heavy machinery, rolling stock, and electric motors. However, considerable progress has been seen, for instance in the machining of parts for electric motors. Such automatic machining is also done in the case of crankcases, motor housings, engine blocks, and other precision parts. Automatic transport has yet to be installed.

Automation has begun to be used by such industries as cement and edible oils; while another somewhat different example is the case of Meiji Seika K.K. which now has a completely automatic biscuit making process which has reduced manpower by three-quarters, fuel requirements by one-half, and has upped output by six times. At Takeda Pharmaceuticals there is an automatic process which produces vitamin C with remarkable efficiency and high yield.

### Atomic Energy Utilization

One of the first steps toward peaceful use of the atom is generation of electric power. But in Japan only the initial steps toward basic research have been taken. However, there has been remarkable progress in the use of radio-isotopes for industrial and other purposes. Whereas as recently as 1951 Japan imported only some ¥4 million worth of radio-isotopes, the figure in fiscal 1955-56 stood at ¥30 million, while the estimated purchases in fiscal 1956-57 will be close on ¥80 million. The reason for this growth in requirements is the widespread utilization of radioactive isotopes not only in agriculture, medicine, and physics, but also in industry. Recently, instead of depending on X-rays, the steel industry is using cobalt-60 for detection of flaws in products. As tracers, the radio-isotopes are used in checking the wear in bearings, while because of the chemical properties evinced they are used for betterment of the quality of synthetic fibers and resins.

### Impediments of Modernization of Plant

Although, from the foregoing, it may be concluded that Japan's industrial innovation has been progressing without hitch, nothing could be farther from the truth. There is, for one thing, the problem of full



employment, and the complicated ties with small industry. Another thing that must be given special attention is the fact that Japan's postwar technological progress harbors several problems because of its dependence on foreign developments. For instance, when it comes to technological arrangements for improvement of machine tools only 7 cases were seen during the period ended with September, 1956. The reason lies in the reluctance of Swiss and Western German manufacturers of high-grade precision tools to give the Japanese, who could become competitors, the necessary knowhow. This has resulted in backwardness in one basic aspect of industry, which is impeding the advancement of Japan's industrial technology as a whole. Further, it is preventing Japan from enjoying the full benefits of other technology imported from abroad.

Another handicap is the limitation imposed by lack of funds. It usually happens that the adoption

of new techniques calls for huge investment in plant. Moreover, the superseded facilities have to be scrapped without waiting for complete obsolescence or depreciation, so the capital requirements become large. Yet, despite these circumstances, the earnings of Japanese enterprise tend to be lower than prewar or the level achieved by American or British businesses. Consequently, there is little room for plowbacks for new equipment; and this constitutes a major bottleneck for industrial modernization.

## 2. EARNINGS VS. AVAILABLE CAPITAL (Manufacturing Companies)

|   | Japan            |                  | United States<br>1954 | United Kingdom<br>1954 |
|---|------------------|------------------|-----------------------|------------------------|
|   | 1st Half<br>1956 | 2nd Half<br>1955 |                       |                        |
| 1. Profit Rate (after tax) ..                     | 7.3%             | 8.5%             | 8.1%                  | 5.1%                   |
| 2. Profit Rate (before tax) ..                    | 8.8              | 5.9              | 13.7                  | 11.0                   |
| 3. Earnings (2+interest paid) .....               | 9.6              | 9.6              | ..                    | 11.3                   |
| 4. Gross Earnings (3+depreciation coverage) ..... | 12.2             | 13.8             | 18.7                  | 13.9                   |

Source: Economic Planning Board.

# Prices Firmer

ALTHOUGH the factors making for higher prices in 1957 are fairly numerous the situation will probably reflect stability combined with firmness because production too will be on the increase.

Wholesale prices in 1956 tended steadily toward firmness during the first three quarters of the year; and although some softening appeared after October the yearend again saw the onset of another uptrend. Because in addition to this basic tendency the Mid-East situation has resulted in higher ocean freight rates the price of imported raw materials will doubtless move to higher levels.

As for the domestic factors, there is in addition to another upward revision of railway fares and freight rates the possible upping of consumers' rice price. Consequently, all things considered, it appears reasonable to expect prices continuing to indicate firmness.

It was not until after March 1954 that prices began to reflect the effects of the disinflationary policy adopted late in 1953. The weekly wholesale price indices compiled by the Economic Planning Board began to fall off rapidly in that month, and by August 1954 the composite average had dropped by as much as 9 percent or more.

This decline was caused mainly by sacrifice selling, the direct result of the need for ready money to counter the credit squeeze. Naturally, such less-than-cost dumping could not long continue, and by about mid-summer of 1954 there had appeared indications of a slowing of the downtrend. The outcome was the view that the Government's disinflation policy had about accomplished all it was expected to do.

However, the spread of deflationary tendencies caused further curbing of demands, and with signs

of overproduction in such items as food and textiles another softening of prices began in March 1955. The low point was reached in July of that year.

A comparison of the low price level of July 1955 with the high of February 1954 indicates a drop by approximately 10 percent of the composite average. Food declined by some 20 percent, while textiles and building materials both went down by about 15 percent.

From August 1955, not only was there a halting of the downtrend but there began a definite movement toward firmness; and as already mentioned the first nine months of 1956 saw an almost constant upward climb. This was due to heightened internal demands, the outcome of booming export sales stimulated by world prosperity, and of the vast improvement of the nation's economic situation following upon the phenomenally good rice crop of 1955.

True, there was some softening of prices after October 1956, but as yearend approached firmness again set in. The result was that the price level of December 1956 was on the average 16.2 percent higher than the low of July 1955. The item indicat-

## 1. ECONOMIC PLANNING BOARD WEEKLY WHOLESALE PRICE INDICES

(June 24, 1950=100)

|                            | Dec.<br>1956 | Vs. July<br>1955 (%) | Vs. Feb.<br>1954 (%) |
|----------------------------|--------------|----------------------|----------------------|
| Composite .....            | 170.5        | 116.2                | 105.1                |
| Food .....                 | 152.4        | 113.1                | 91.5                 |
| Textiles .....             | 92.7         | 102.1                | 86.8                 |
| Fuel .....                 | 173.5        | 109.9                | 109.6                |
| Metals .....               | 310.9        | 146.6                | 142.4                |
| Machinery .....            | 196.1        | 108.4                | 105.0                |
| Building Materials .....   | 230.7        | 111.6                | 94.0                 |
| Chemical Products .....    | 107.3        | 107.3                | 99.3                 |
| Sundries .....             | 136.5        | 100.4                | 101.3                |
| Consumer Items .....       | 147.2        | 111.9                | 94.5                 |
| Producer Items .....       | 183.2        | 118.3                | 110.6                |
| Composite Excl. Food ..... | 176.1        | 117.1                | 109.5                |



ing the steepest rise was metals, up 47 percent in the interim. Food, building materials, fuel, machinery, and chemical products also went up by from 7 to more than 13 percent.

The climb of metal prices was due partly to the notable growth of export trade during 1955, and to the continued high demand subsequently in the fields of shipbuilding, machinery, and construction. The high price level indicated by machinery and building materials reflects activity in investment in plant. The rise in the price of fuel also is indicative of high industrial activity with heavy consumption of coal and petroleum.

The firmness of prices in Japan has led to some anxiety regarding the possibility of a price inflation. But with conditions as they are at the moment the fear appears to be unfounded. This is because although during just the past year the climb of prices in Japan has been steeper than say in the United States or Britain, when the gain is measured from around February 1954 we are in a relatively sounder position.

Consequently, it can be said that Japanese prices have, generally speaking, improved considerably in comparison with overseas quotations. This has been particularly notable with textiles, and the world market level is being approached in the case of aluminium, cement, ammonium sulphate, and some other items.

Metals alone remain as an exception, and here Japan suffers from prices considerably higher than elsewhere.

It was stated at the outset that the outlook appears to be continued firmness, with various factors contributing to this tendency. Of these factors, higher ocean freight rates will differ in effect, depending on what commodity is involved. Although such bulk goods as petroleum, iron ore, and coking coal will be affected in no small way, it appears that food and textile materials will go relatively unscathed. Comparing the price levels of imported supplies, October 1956 against October 1955, it is found that whereas textile materials declined by 11 percent, mineral ores went up by the same percentage.

All in all, the supply-demand situation is such that no great fear need be entertained in regard to prices in the future. True, manufacturers' inventories of finished products as of October 1955 were down 17 percent as against the level of October 1954. But this was because they were far overstocked in 1954.

level off because of the bottlenecks created by the capacity limits in electric power, transportation, and steel production. But this problem we expect will be solved in one way or another through the efforts of the industries concerned and by positive action on the part of Premier Ishibashi's new government.

#### 4. MITI PRODUCERS' INVENTORY INDICES

(1950=100)

| 2. UNITED STATES & UNITED KINGDOM WHOLESALE PRICES |           |                   |                   |
|--|-----------|-------------------|-------------------|
|  | Oct. 1956 | Vs. Oct. 1955 (%) | Vs. Feb. 1954 (%) |
| United States                                      |           |                   |                   |
| Mining & Manufacturing .....                       | 123.6     | 103.9             | 108.0             |
| Machinery .....                                    | 140.9     | 107.2             | 113.2             |
| Metals .....                                       | 151.9     | 106.7             | 120.4             |
| United Kingdom                                     |           |                   |                   |
| All Industry (Mfg.) .....                          | 155.4     | 101.5             | 110.8             |
| Machinery .....                                    | 177.8     | 102.7             | 121.5             |
| Steel .....  | 161.3     | 105.8             | 116.0             |

Notes: U.S. indices based on 1947-49=100.

U.K. indices based on 1949=100.

U.K. steel index for 1956 is for September.

Sources: U.S.—Bureau of Labor Statistics.

U.K.—Board of Trade.

#### 3. WORLD COMMODITY PRICES

(as of November 30, 1956)

|                           | Japan | United States | Other             |
|---------------------------|-------|---------------|-------------------|
| Cotton Yarn .....         | 56.9  | 64.5          | 55.2 (Italy)      |
| Cotton Fabrics .....      | 15.3  | 16.5          | 14.0 (Hong Kong)  |
| Rayon Yarn .....          | 72.5  | 86.0          | 62.9 (U.K.)       |
| Rayon Staple Yarn .....   | 38.9  | 76.8          | 61.0 (U.K.)       |
| Pig Iron .....            | 86.1  | 62.0          | 47.2 (U.K.)       |
| Bar Steel .....           | 132.5 | 111.9         | 96.0 (U.K.)       |
| Steel Plate .....         | 151.9 | 107.3         | 93.8 (U.K.)       |
| Steel Sheet .....         | 174.2 | 103.0         | 103.3 (U.K.)      |
| Electrolytic Copper ..... | 59.2  | 33.7          | 34.8 (U.K.)       |
| Aluminum .....            | 26.5  | 27.1          | 24.6 (U.K.)       |
| Cement .....              | 17.5  | 22.3          | 17.4 (W. Germany) |
| Ammonium Sulphate ....    | 58.5  | 40.0          | 52.0 (U.K.)       |
| Caustic Soda .....        | 127.8 | 82.0          | 79.0 (U.K.)       |
| Coking Coal .....         | 19.6  | 12.9          | (34.4)(U.K.)      |

Notes: Steel and cement, list prices; others, market prices.

Textiles and metals in cents per lb. (fabrics, per sq. yd.).

Others in dollars per ton. Parenthesized figure, c.i.f.

Source: Compiled by *The Oriental Economist*.

#### 5. MITI MINING & MANUFACTURING PRODUCTION INDICES

(1950=100)

|                              | Oct. 1956 | Vs. Oct. 1955 (%) | Vs. Oct. 1954 (%) |
|------------------------------|-----------|-------------------|-------------------|
| Mining & Manufacturing ..... |           |                   |                   |
| Mining .....                 | 262.3     | 125.0             | 140.6             |
| Manufacturing .....          | 144.9     | 112.6             | 115.2             |
| Iron & Steel .....           | 186.5     | 126.4             | 143.9             |
| Non-Ferrous Metals .....     | 229.6     | 110.1             | 134.5             |
| Machinery .....              | 208.1     | 114.5             | 134.7             |
| Steel Ships .....            | 310.8     | 156.3             | 164.9             |
| Textiles .....               | 621.1     | 179.8             | 692.4             |
| Paper & Pulp .....           | 332.1     | 131.4             | 145.2             |
| Chemicals .....              | 310.6     | 118.1             | 142.4             |
| Petroleum Products .....     | 262.0     | 119.7             | 140.5             |
| Refractories .....           | 551.0     | 110.6             | 155.6             |
| Rubber Products .....        | 227.4     | 117.5             | 121.2             |
| Leather & Hides .....        | 207.1     | 130.1             | 141.5             |
| Food Processing .....        | 305.1     | 117.0             | 140.9             |
|                              | 216.4     | 118.5             | 104.1             |



# Postwar Export Markets

ALTHOUGH build-up of foreign exchange holdings has slowed down because import purchases have been stepped up, the reserves have approached the \$1,400 million level, which is considered adequate for the Japanese economy. Expectations are that 1957 will see no appreciable drop in the high level of import maintained to date, while on the other hand it is predicted that export will grow by about 15 percent over the 1956 volume. Consequently, there appears to be no need to become excessively nervous about Japan's balance of payments.

This does not mean, however, that Japan's foreign trade as it now stands harbors no serious problem calling for study or reappraisal. Rather, at times such as at present, when the winds are fair and all sails are filled, does it become all the more necessary to undertake an unequivocal analysis of the situation since the war so that the course of future expansion may be determined.

1. EXPORT-IMPORT FIGURES (In \$ million)

|                          | Export  | Import  | Foreign Aid |
|--------------------------|---------|---------|-------------|
| Sept. 1945 thru 1946.... | 103.3   | 305.6   | 112.7       |
| 1947 .....               | 173.6   | 526.1   | 404.4       |
| 1948 .....               | 258.3   | 684.2   | 463.8       |
| 1949 .....               | 509.7   | 904.8   | 534.8       |
| 1950 .....               | 820.1   | 974.3   | 360.8       |
| 1951 .....               | 1,354.5 | 1,995.0 | 180.4       |
| 1952 .....               | 1,272.9 | 2,028.2 | —           |
| 1953 .....               | 1,274.8 | 2,409.6 | —           |
| 1954 .....               | 1,629.2 | 2,399.4 | —           |
| 1955 .....               | 2,010.2 | 2,476.3 | —           |

Source: MITI for all the tables.

The recently published report of the Bureau of Trade of the Ministry of International Trade and Industry—"Development of Japan's Trade—A Review of the Postwar Decade"—presents no inconsiderable amount of material for such reappraisal. Seen in the light of both internal and external conditions, the postwar decade can be divided into five eras.

*The Era of Controlled Trade* (August 1945 to July 1948). Under the complete supervision and control of the Allied Occupation, Japan's foreign trade was kept at an extremely low level, with only the most essential food and raw materials brought in on the strength of United States monetary aid, while the bulk of exports comprised goods in stock at the time of the surrender.

*Era of Trade under Economic Planning for Stabilization* (August 1948 to June 1950.). With the postwar inflation finally brought under control by enforcement of the Dodge Plan, and with a rate of exchange established for the yen currency, the steps were initiated to restore Japan to the world economy. Simultaneously, there occurred a steady revival of trade on a private commercial basis so that commencing early in 1950 there was resumption of almost completely autonomous trade under a new system of trade and exchange control.

*Era of the Korean Crisis* (July 1950 to December 1951). On the wave of high business activity triggered off by the conflict in Korea, Japan's trade underwent phenomenal growth, so much so that there occurred overselling to certain countries and the need for regulation of export where credit was overextended. Stimulated by export sales and "special demands" (United States offshore procurements and Armed Forces dollar spending in Japan), there was a heightening of business activity which resulted in a climb of prices far in excess of the rise experienced in Europe and the United States.

*Era of World Economy Adjustment* (January 1952 to December 1953). In this period there occurred a contraction of world trade, the outcome of worldwide credit curbs and import restrictions. Japan ran into over-importation; and with an adverse balance of trade the nation's payments position deteriorated badly. The heavy import purchases entailed by high business activity could not be offset even by the huge "special demands" disbursements of that time. In consequence, there came to be enforced from late 1953 a policy of disinflation, with a general curbing of credit, particularly in respect of the financing of import transactions.

*Era of Upturn of World Prosperity* (January 1954 to December 1955). While imports continued to be repressed by the curbs on credit, pressure steadily mounted to spur on export sales, and the situation in Japan became such that production for export could be undertaken on a paying basis. Moreover, the world as a whole saw a general improvement in business; and, with relaxation of the import restrictions imposed by the sterling area nations, in conjunction with a surge of sales in 1955 to the dollar area, there was a notable step forward in Japan's export activities.

The above are, in brief, the stages gone through by Japan's foreign trade to reach the boom level of the present day. The question is whether or not this prosperity is based on sound and stable foundations; and in order to discover the answer the balance of payments position should first come under examination.

In prewar times Japan's trade was such that there was chronic though not excessive over-importation of goods. But because the invisible trade balance remained steadily in Japan's favor a safe equilibrium was consistently maintained.

The trade balance since the war was likewise unfavorable (until 1954); but compared to prewar times the annual deficits were notably greater. According to customs statistics, over-importation in prewar years (1934-36) amounted to about 2.4 percent in excess of export volume and at about 2.3 percent of



total import volume. In 1954 these figures stood respectively at 47 percent and 32 percent. Moreover, shipping and insurance earnings, which before the war had contributed immensely toward maintenance of a balanced position, continued steadily to show deficits. Consequently, it was necessary to depend upon foreign (United States) aid (up to 1949) and on offshore procurements and Armed Forces spendings (after 1950) to cover the overall deficit resulting from both visible and invisible trade.

In the prewar years (1934-36) the main areas with which Japan's trade was carried on were the Far East (Korea, Taiwan and Continental China), America, and Southeast Asia.

1) Food and industrial raw materials were purchased mainly from Far East and exports to Far East markets took the form of textiles and other consumer goods, as well as such capital goods as steel.

2) From the United States were purchased such raw materials as raw cotton, petroleum, and steel scrap, while exports to that nation comprised raw silk, farm and marine products, and sundries.

3) From Southeast Asia came raw cotton, copra, crude rubber, and other industrial supplies; and in return Japan sold consumer goods of which textiles comprised the bulk.

Business with these three areas made up about 80 percent of all foreign trade, and in no case was there any great imbalance of incoming and outgoing volume.

After the war, however, China moved out of the circle of free nations, while former Japanese colonies became independent. In consequence the old Far East market practically disappeared, with export to

that area which had stood at about 40 percent of the total down to about 10 percent of prewar. Import also declined to an extremely low level.

To offset this loss of market there came about an increase in dependence upon the United States and other dollar area markets. Whereas before the war as much as 25 percent of all imports had been bought from that area, the level since 1950 has been notably higher at about 35 percent.

With exports, the United States has always been Japan's foremost customer; so in this respect there has been no major change. But in view of the increase in purchases by Japan the growth in volume of exports to America has not been appreciable. Whereas before the war exports amounted to about 60 percent of imports, the postwar ratio was at one time down to as low as 30 percent. (After 1955 the surge in exports to the United States and some decline in import purchases have combined to better the situation somewhat.)

As a substitute for the Far East market of by-gone days the Southeast Asia area has loomed in importance; and as against the 20 percent of all exports of prewar, this area now buys 30 to 40 percent of all Japanese exports.

Nevertheless, a closer look at the situation shows that the increase in percentage of export to the Southeast Asia area is due mainly to general laggardness of Japan's trade recovery; and it cannot be said with any certainty that the area possesses sufficient stability to warrant consideration as a satisfactory substitute for the old Far East market.

All in all, the MITI report concludes: a) Japan's postwar market for exports has tended notably toward fragmentation; b) volume by destination changes

## 2. RANKING OF CUSTOMER NATIONS BY EXPORT VOLUME (In \$ million)

| Ranking | 1934-36       |       | 1954        |       | 1955        |       |
|---------|---------------|-------|-------------|-------|-------------|-------|
|         | Country       | Value | Country     | Value | Country     | Value |
| 1.....  | China         | 170   | America     | 277   | America     | 449   |
| 2.....  | Korea         | 157   | Indonesia   | 120   | Hongkong    | 88    |
| 3.....  | America       | 148   | Brazil      | 78    | India       | 85    |
| 4.....  | Burma & India | 74    | Hongkong    | 77    | Argentina   | 79    |
| 5.....  | Formosa       | 60    | Korea       | 69    | Indonesia   | 65    |
| 6.....  | Indonesia     | 42    | Formosa     | 66    | Formosa     | 64    |
| 7.....  | England       | 36    | Thailand    | 65    | Thailand    | 63    |
| 8.....  | Australia     | 20    | Pakistan    | 56    | England     | 61    |
| 9.....  | Singapore     | 17    | England     | 51    | Singapore   | 59    |
| 10..... | Egypt         | 16    | Argentina   | 49    | Australia   | 55    |
| 11..... | Hongkong      | 14    | Burma       | 46    | Liberia     | 53    |
| 12..... | Philippines   | 13    | India       | 44    | Philippines | 52    |
| 13..... | France        | 12    | West Africa | 43    | Ryukyus     | 51    |
| 14..... | Thailand      | 11    | Ryukyus     | 43    | Canada      | 45    |
| 15..... | South Africa  | 10    | Singapore   | 38    | Pakistan    | 44    |

## 3. RANKING OF SUPPLIER NATIONS BY IMPORT VOLUME (In \$ million)

| Ranking | 1934-36      |       | 1954         |       | 1955         |       |
|---------|--------------|-------|--------------|-------|--------------|-------|
|         | Country      | Value | Country      | Value | Country      | Value |
| 1.....  | America      | 235   | America      | 846   | America      | 772   |
| 2.....  | Korea        | 134   | Canada       | 122   | Australia    | 178   |
| 3.....  | China        | 102   | Australia    | 117   | Canada       | 109   |
| 4.....  | India        | 94    | Saudi Arabia | 110   | Saudi Arabia | 98    |
| 5.....  | Formosa      | 89    | Mexico       | 92    | Malaya       | 93    |
| 6.....  | Australia    | 59    | Brazil       | 73    | Philippines  | 90    |
| 7.....  | West Germany | 33    | Thailand     | 69    | Mexico       | 84    |
| 8.....  | Indonesia    | 25    | Philippines  | 67    | Indonesia    | 81    |
| 9.....  | England      | 21    | Burma        | 63    | Formosa      | 81    |
| 10..... | Canada       | 17    | Argentina    | 60    | China        | 81    |
| 11..... | Singapore    | 14    | Indonesia    | 60    | India        | 77    |
| 12..... | Egypt        | 14    | Formosa      | 57    | Thailand     | 63    |
| 13..... | Philippines  | 8     | Malaya       | 56    | Brazil       | 59    |
| 14..... | Malaya       | 7     | India        | 51    | Pakistan     | 47    |
| 15..... | Indochina    | 4     | Pakistan     | 44    | West Germany | 46    |



## 4. CHANCE IN PATTERN OF EXPORT COMMODITIES (In \$ million)

|                              | 1934-36 |       | 1955    |       |
|------------------------------|---------|-------|---------|-------|
|                              | Value   | %     | Value   | %     |
| Total .....                  | \$28.4  | 100.0 | 2,010.2 | 100.0 |
| Food, Beverages .....        | 88.2    | 9.5   | 136.1   | 6.8   |
| Fish & Marine Products ..... | 88.2    | 9.5   | 75.6    | 3.8   |
| Tea .....                    |         |       | 9.7     | 0.5   |
| Textiles .....               | 483.4   | 52.0  | 749.0   | 37.3  |
| Raw Silk .....               | 103.1   | 11.1  | 50.0    | 2.5   |
| Cotton Yarn .....            | 12.2    | 1.3   | 24.3    | 1.2   |
| Cotton Fabrics .....         | 153.2   | 16.5  | 229.9   | 11.4  |
| Clothing .....               | ..      | ..    | 106.5   | 5.6   |
| Chemical Products .....      | 39.8    | 4.3   | 93.6    | 4.6   |
| Refractory Products .....    | 27.4    | 2.9   | 85.1    | 4.2   |
| Cement .....                 | 4.8     | 0.5   | 22.6    | 1.1   |
| Ceramics .....               | 11.9    | 1.3   | 42.0    | 2.1   |
| Metals, Metal Products ..... | 76.3    | 8.2   | 385.8   | 19.2  |
| Iron & Steel .....           | 76.3    | 8.2   | 259.5   | 12.9  |
| Non-Ferrous .....            |         |       | 66.6    | 3.3   |
| Machinery .....              | 66.5    | 7.2   | 246.9   | 12.3  |
| Textile Machinery .....      | 3.5     | 0.4   | 26.6    | 1.3   |
| Sewing Machines .....        | 0.2     | *     | 34.8    | 1.7   |
| Ships .....                  | 1.0     | *     | 78.2    | 3.9   |
| Other .....                  | 146.8   | 15.9  | 313.7   | 15.6  |
| Lumber .....                 | ..      | ..    | 28.9    | 1.4   |
| Toys .....                   | 8.5     | 0.9   | 42.5    | 2.1   |

Note: \* Insignificant.

constantly; c) there has been a tendency toward bigger imbalance between sales and purchases to and from any given market; and d) correction of such imbalance through appropriate methods of settlement continues to be difficult because of the warped pattern of world trade.

Let us elaborate a little on this point. Before the war more than 50 percent of Japan's exports were absorbed by only three countries—China, Korea, and the United States; and another 20 percent went to India (including Burma and Pakistan), Indonesia, and Taiwan. Since the war, however, apart from the position of prominence held over by the United States, the shifts in proportion have been incessant, making it difficult to determine just what countries are Japan's principal customers or suppliers.

Moreover, the export markets are by no means stable. Apart from the United States, the relatively larger and steadier nations have been Taiwan and Hong Kong. Indonesia, which held second place in 1954, Brazil in third place, and Korea in fifth place have all declined notably in ranking.

Another feature of Japan's postwar trade is the trend toward over-buying from the United States, Canada, Australia, Egypt, and the Philippines, while conversely overselling to the Southeast Asia countries, excluding the Philippines, has become notable.

Particularly important in this connection are the shifts in the pattern of the world economy. Before the war, Japan balanced out her heavy overpurchases from the United States by favorable trade with the Asia market, which sold more to the United States than it bought. Since the war, however, Southeast Asia trade with the United States became reversed, with the balance favorable to the latter.

Turning next to the pattern of trade by commodity, the details are as shown in tables 4 and 5. In export, whereas the importance of textiles has declined there has been an increase in sales of metals, metal products, and machinery; and it appears that the trend is toward export of higher skills.

Nevertheless, this apparent gain made by heavy industry and chemical items is due rather to a decline in textile sales, notably raw silk. Moreover, it must be noted that export of metals and metal products is affected sharply by the world market situation.

The remarkable advance registered since 1953 by machinery exports is due mainly to the extraordinary growth of ship exports. This item too is subject to the vagaries of world prosperity. Consequently, it cannot be said that the increase in proportion of machinery sales is on a completely firm footing.

## 5. CHANGE IN PATTERN OF IMPORT COMMODITIES (In \$ million)

|                             | 1934-36 |       | 1955    |       |
|-----------------------------|---------|-------|---------|-------|
|                             | Value   | %     | Value   | %     |
| Total .....                 | 950.9   | 100.0 | 2,476.3 | 100.0 |
| Food, Beverages .....       | 157.4   | 16.5  | 627.9   | 25.4  |
| Rice .....                  | 101.1   | 10.6  | 197.7   | 8.0   |
| Wheat .....                 | 11.4    | 1.2   | 167.4   | 6.8   |
| Sugar .....                 | 44.8    | 4.7   | 115.8   | 4.7   |
| Textile Materials .....     | 302.1   | 31.8  | 601.7   | 24.2  |
| Rayon .....                 | 11.3    | 1.4   | 16.3    | 0.6   |
| Raw Wool .....              | 56.0    | 5.9   | 164.5   | 6.6   |
| Raw Cotton .....            | 224.8   | 23.6  | 383.1   | 15.5  |
| Metal Ores .....            | ..      | ..    | 102.4   | 4.2   |
| Iron Ores .....             | 9.0     | 0.9   | 81.3    | 3.2   |
| Steel Scrap .....           | 22.3    | 2.3   | 63.6    | 2.6   |
| Non-Metallic Minerals ..... | ..      | ..    | 102.4   | 4.2   |
| Phosphates .....            | 5.7     | 0.6   | 33.5    | 1.3   |
| Salt .....                  | 4.8     | 0.5   | 21.4    | 0.9   |
| Mineral Fuels .....         | 47.1    | 4.9   | 288.4   | 11.6  |
| Coal .....                  | 16.3    | 1.7   | 56.2    | 2.3   |
| Petroleum .....             | 30.8    | 3.2   | 226.9   | 9.2   |
| Other Raw Materials .....   | ..      | ..    | 335.0   | 13.6  |
| Soybeans .....              | 20.5    | 2.2   | 98.0    | 3.9   |
| Crude Rubber .....          | 17.6    | 1.8   | 66.3    | 2.7   |
| Lumber .....                | 0       | 0     | 61.6    | 2.5   |
| Chemical Products .....     | 38.7    | 4.1   | 80.0    | 3.5   |
| Machinery .....             | 44.7    | 4.7   | 136.2   | 5.5   |
| Other Items .....           | 270.4   | 28.5  | 119.2   | 4.8   |

## Pattern of Manufacturing

PUBLISHED recently were the preliminary data obtained from the 1955 survey of manufacturing activities undertaken by the Ministry of International Trade and Industry. The information is extremely interesting in that the economic developments of the past few years are clearly reflected by the figures made available.

Using the year 1952 as the base, at 100, the situation obtaining in manufacturing operations in 1955

was as is shown in Table 1. Whereas in the space of three years the increases in operational units and workers employed were respectively only 9 percent and 15 percent, shipments of products went up 42 percent, while value added went up as much as 61 percent. In the interim, wholesale prices, as given by the Bank of Japan, declined 2.1 percent.

In other words, during the three years ended with 1955 there were notable gains in both output and



value added per operational unit or per worker, making for considerable improvement in the conditions governing business operation.

A closer look at the changes which took place during the three-year period reveals that although, because of the reasons given below, there was in 1954 a 6 percent increase in the number of operational units, the gain in 1955 over 1954 was only 0.5 percent. Nevertheless, the total employment in manufacturing in 1955 rose, as compared to the preceding year, by 230,000 (4.4 percent), a notable bigger increase than that which took place in 1954 (100,000 workers; 1.9 percent).

With product shipments, the gain in 1955 stood at 8 percent over 1954 when the growth rate was 6 percent; while with value added the gains for 1954 and 1955 were respectively 12 percent and 11 percent.

Looking at the situation by size of operational unit, the biggest gain of 23 percent took place among those units employing more than 30 and less than 200 workers, followed by the 16 percent increase of operational units employing more than 200 and less than 1,000 workers. With units employing more than 1,000, the 1953 index of 108 declined to 105 in 1954, and the increase in 1955 was but 0.5 percent over the 1954 level.

#### 1. PATTERN OF MANUFACTURING IN JAPAN (1952=100)

|                                     | 1953  | 1954  | 1955  |
|-------------------------------------|-------|-------|-------|
| Number of Operational Units .....   | 101.9 | 108.0 | 108.6 |
| Less than 3 Employees .....         | 101.3 | 106.8 | 106.6 |
| 4 to 29 Employees .....             | 101.2 | 109.4 | 109.7 |
| 30 to 199 Employees .....           | 112.3 | 112.4 | 122.8 |
| 200 to 999 Employees .....          | 109.9 | 110.9 | 115.6 |
| 1,000 or more Employees .....       | 108.1 | 104.5 | 105.0 |
| Size of Employment .....            | 107.6 | 109.7 | 114.6 |
| Units with less than 3 Workers ..   | 103.2 | 109.7 | 111.3 |
| Units with 4 to 29 Workers .....    | 104.8 | 112.4 | 114.9 |
| Units with 30 to 199 Workers ..     | 112.4 | 111.7 | 122.7 |
| Units with 200 to 999 Workers ..    | 110.8 | 110.9 | 115.3 |
| Units with 1,000 or more Workers .. | 105.0 | 100.6 | 100.2 |
| Volume of Product Shipments .....   | 123.3 | 131.1 | 142.0 |
| Units with less than 3 Workers ..   | 117.2 | 134.2 | 144.2 |
| Units with 4 to 29 Workers .....    | 121.7 | 138.2 | 146.2 |
| Units with 30 to 199 Workers ..     | 128.8 | 137.2 | 151.7 |
| Units with 200 to 999 Workers ..    | 124.6 | 133.0 | 144.7 |
| Units with 1,000 or more Workers .. | 118.4 | 117.9 | 126.6 |
| Value Added .....                   | 129.3 | 145.2 | 160.9 |
| Units with less than 3 Workers ..   | 119.8 | 149.2 | 163.7 |
| Units with 4 to 29 Workers .....    | 127.2 | 149.1 | 168.7 |
| Units with 30 to 199 Workers ..     | 130.5 | 142.0 | 157.8 |
| Units with 200 to 999 Workers ..    | 136.4 | 142.4 | 155.4 |
| Units with 1,000 or more Workers .. | 117.5 | 130.4 | 134.7 |
| Production Index, Manufacturing.... |       |       |       |

As for the workforce employed, the biggest gain took place in the 30 to 199 worker group, the growth in three years being 23 percent; and the adjacent groups followed in ranking. With operational units employing 1,000 or more workers, peak employment was seen in 1953, with the workforce declining somewhat thereafter. This indicates that cutbacks in employment progressed considerably during the three years under review.

From the foregoing it is clear that the shifts in number of operational units and in the size of employment varied considerably with the size of unit. On the other hand, growth of volume of output and increase in value added have been generally uniform. This is indicative of the fact that whereas the bigger entities undertook production boosts without increas-

ing employment by 1) better utilization or improvement of facilities, and 2) utilization of subcontractors, the smaller business achieved the same end by increasing workforce. This tendency is particularly notable with the operational units employing more than 1,000 workers: whereas output rose only 27 percent over the three year period, value added increased by 55 percent.

Table 2 gives a breakdown, percentagewise, of the elements involved in the value of product shipped out (domestic consumer tax excluded). These are: cost of raw materials used; value added; and the cash wage amount portion of value added. It will be seen that a steady decline has taken place in the percentage taken up by raw materials cost, while conversely value added has steadily increased. The proportion held by cash pay declined somewhat in 1955. This is the basic reason for the notable improvement of business earnings in 1955.

#### 2. BREAKDOWN OF MANUFACTURING OUTPUT VALUE (Percentages)

|                     | 1953 | 1954 | 1955 |
|---------------------|------|------|------|
| Raw Materials ..... | 69.4 | 67.5 | 67.0 |
| Value Added .....   | 30.6 | 32.5 | 33.3 |
| Cash Pay .....      | 12.1 | 12.7 | 12.5 |

In 1955 the increase in tangible fixed assets involved in manufacturing was ¥227,300 million, 12 percent less than the gain registered in 1954. (According to the Corporate Businesses Statistics of the Ministry of Finance, 8.4 percent less than in 1954.)

On the other hand it can be said that the equipment funds made available in 1954 went into action in 1955, while the supply of funds tended to tighten. This situation can be cited as one of the reasons for the "quiet" boom of 1955.

The pattern of manufacturing operations, by size and by industrial classification, is given in Tables 3 and 6. Comparison of prewar and postwar patterns is made in Tables 4 and 5. As a general tendency, the growth of the heavy and chemical industries, and the decline of the light industries can be noted.

The annual survey of manufacturing operations undertaken by the Ministry of International Trade and Industry covers all plants and operations coming under the Standard Classification of Industries (excluding operations owned and managed by the national or local governments and public bodies). Consequently, the information derived from these surveys is indispensable for a grasp of the actual status of Japanese manufacturing.

The results of this survey are so tabulated that the number of operational units and the employment figures are of the end of December each year, while the data on tangible fixed assets (for units employing not less than 30 workers), on value added (for units employing not less than 4 workers), on outshipments of product, and on the amount of raw materials consumed are based on actual figures for the year.

Not included in the survey are manufacturing wholesalers making use of subcontractors and other



suppliers, and retailers engaging simultaneously in manufacturing because these operators are classified as commercial.

In making use of the data, the following points should be noted:

1. By "value added" is meant the monetary amount remaining after subtracting from the value of the shipped product the cost of raw materials, of electric power, of fuel, of subcontracted work, and the amount taken out for domestic consumer tax.

2. The number of operational units in 1954 rose by 6 percent over the 1953 level. This was due, partly, to the fact that in July that year the Office of the Prime Minister conducted its "Operational Units Statistical Survey." This survey is made every three years, and as a general rule the coverage of the Ministry of International Trade and Industry manufacturing survey tends to spread somewhat in the years of the Bureau of Statistics surveys. However, the effect on data pertaining to employment, volume of product shipments, and value added is negligible.

3. From the 1955 survey of manufacturing, metal manufacturing was further broken down into iron and steel, and non-ferrous metals, while "tatami" matting and straw products were taken out from

### 3. PATTERN OF MANUFACTURING BY SIZE OF UNIT, 1955

|   | Number of<br>Operational<br>Units | Workforce<br>(1,000) | Product<br>Shipment<br>Value<br>(¥1,000<br>million) | Value<br>Added<br>(¥1,000<br>million) |
|---|-----------------------------------|----------------------|---|---------------------------------------|
| Total .....                             | 432,715(100)                      | 5,517(100)           | 6,769(100)  | 2,106(100)                            |
| Units with less than<br>3 Workers ..... | 245,597( 57)                      | 553( 10)             | 207( 3)   | —                                     |
| Units with 4 to 29<br>Workers .....     | 159,958( 37)                      | 1,737( 32)           | 1,296( 19)  | 401( 19)                              |
| Units with 30 to<br>299 Workers .....   | 25,432( 6)                        | 1,742( 32)           | 2,295( 34)  | 690( 33)                              |
| Units with 300 to<br>999 Workers .....  | 1,352(0.3)                        | 680( 12)             | 1,377( 20)  | 441( 21)                              |
| Units with more<br>than 1,000 Workers   | 376(0.1)                          | 804( 15)             | 1,592( 24)  | 574( 27)                              |

Note: Figures in parentheses, percentages.

### 6. PATTERN OF MANUFACTURING BY INDUSTRIAL CLASSIFICATION, 1955 (Parenthesized figures, comparison in % with preceding year)

| Classification   | Number<br>of<br>Units | Percentage   | Work<br>Force<br>(1,000) | Percentage   | Value of<br>Product<br>Shipments<br>(¥100<br>million) | Percentage   | Value<br>Added<br>(¥100<br>million) | Percentage   |
|--|-----------------------|--------------|--------------------------|--------------|---|--------------|-------------------------------------|--------------|
| Grand Total .....  | 432,715               | 100.0(100.5) | 5,517                    | 100.0(104.4) | 67,697  | 100.0(108.3) | 21,056                              | 100.0(110.8) |
| Processed Foods .....  | 95,049                | 22.1(100.7)  | 691                      | 12.5(105.3)  | 12,153  | 17.9(108.7)  | 2,401                               | 11.4(110.4)  |
| Textiles .....   | 73,443                | 17.0( 90.4)  | 1,061                    | 19.2(101.2)  | 10,961  | 16.2(105.2)  | 2,851                               | 13.5(114.2)  |
| Clothing & Accessories .....   | 15,387                | 3.6( 95.3)   | 144                      | 2.6(102.8)   | 862   | 1.3( 97.9)   | 250                                 | 1.2(104.6)   |
| Lumber & Wood Products .....   | 53,588                | 12.4( 97.9)  | 383                      | 7.0(101.5)   | 2,746   | 4.1(101.1)   | 741                                 | 3.5(104.7)   |
| Furniture & Fittings .....   | 23,055                | 5.3(102.2)   | 135                      | 2.4(109.6)   | 650   | 1.0(115.7)   | 226                                 | 1.1(116.4)   |
| Pulp, Paper & Paper Products .....   | 11,973                | 2.8(107.4)   | 182                      | 3.2(113.5)   | 2,853   | 4.2(115.5)   | 914                                 | 4.2(119.6)   |
| Publishing, Printing & Related Industries ..   | 12,777                | 3.0( 97.9)   | 235                      | 4.3(103.1)   | 2,230   | 3.3(105.8)   | 1,182                               | 5.6(110.2)   |
| Chemicals .....  | 8,657                 | 2.0( 94.5)   | 361                      | 6.6(103.4)   | 7,440   | 11.0(114.1)  | 2,903                               | 13.8(116.7)  |
| Petroleum & Coal Derivatives .....   | 1,030                 | 0.2( 98.0)   | 29                       | 0.5( 96.0)   | 1,259   | 1.8(108.4)   | 291                                 | 1.4(114.8)   |
| Rubber Products .....  | 1,505                 | 0.3(113.5)   | 75                       | 1.4(103.6)   | 971   | 1.4(113.1)   | 390                                 | 1.9(100.9)   |
| Leather & Leather Goods .....  | 5,404                 | 1.2(103.6)   | 26                       | 0.7(106.2)   | 381   | 0.6(110.4)   | 99                                  | 0.5(117.4)   |
| Refractories & Ceramics .....  | 24,871                | 5.7(100.6)   | 292                      | 5.3(106.3)   | 2,319   | 3.4(104.4)   | 1,145                               | 5.4(105.3)   |
| Iron & Steel .....   | 3,959                 | 0.9( 96.7)   | 276                      | 5.0          | 6,510   | 9.6(119.0)   | 1,716                               | 8.1(123.3)   |
| Non-Ferrous Metals .....   | 2,246                 | 0.5( 96.7)   | 99                       | 1.8(102.4)   | 2,828   | 4.2          | 778                                 | 3.7          |
| Metal Products .....   | 27,226                | 6.3(102.0)   | 270                      | 4.9(108.2)   | 2,197   | 3.2(110.6)   | 794                                 | 3.8(113.0)   |
| Weapons .....  | 77                    | 0.02( 70.0)  | 10                       | 0.2( 68.4)   | 99  | 0.1( 77.8)   | 38                                  | 0.2( 92.6)   |
| Machinery .....  | 19,229                | 4.4(102.8)   | 382                      | 6.9(102.9)   | 3,120   | 4.6( 99.1)   | 1,332                               | 6.3(103.5)   |
| Electrical Machinery & Appliances .....  | 5,466                 | 1.3( 90.6)   | 233                      | 4.2( 99.4)   | 2,510   | 3.7( 92.6)   | 1,110                               | 5.3( 95.6)   |
| Transportation Machinery & Equipment ..  | 9,251                 | 2.1(101.2)   | 322                      | 5.8(103.9)   | 3,706   | 5.5(100.5)   | 1,999                               | 5.7( 93.5)   |
| Measuring, Surgical, Physico-Chemical, Photo-<br>Optical, and Other Precision Machinery .. | 4,068                 | 0.9(101.2)   | 79                       | 1.4(103.2)   | 562   | 0.8( 99.3)   | 255                                 | 1.2(108.1)   |
| Other Manufacturing .....  | 34,454                | 8.0(140.2)   | 222                      | 4.0(130.9)   | 1,343   | 2.0(133.9)   | 444                                 | 2.1(137.6)   |

Notes: Figures for operational units and workforce, as of yearend. Other data cover the whole year.

textiles and placed among "other" manufacturing. Weapons manufacture was also taken out from "machinery."

4. Temporary workers, employed on a semi-permanent basis, are included in the employment figures.

### 4. PATTERN OF MANUFACTURING BY INDUSTRIAL CLASSIFICATION (Percentages)

|                               | 1930 | 1941 | 1955 |
|-------------------------------|------|------|------|
| Heavy & Chemical Industries   |      |      |      |
| Metal Manufacturing .....     | 8.5  | 19.5 | 17.0 |
| Machinery & Appliances .....  | 11.6 | 29.6 | 14.6 |
| Chemicals .....               | 15.2 | 16.4 | 19.1 |
| Subtotal .....                | 35.3 | 65.8 | 50.7 |
| Light Industries              |      |      |      |
| Textiles .....                | 36.5 | 15.9 | 17.5 |
| Printing & Bookbinding .....  | 3.2  | 1.3  | 3.3  |
| Refractories & Ceramics ..... | 2.7  | 2.4  | 3.4  |
| Gas & Electricity .....       | 0.3  | 0.3  | —    |
| Processed Foods .....         | 16.0 | 8.2  | 17.9 |
| Lumbermilling & Wood Products | 2.7  | 3.8  | 5.1  |
| Other .....                   | 3.3  | 2.4  | 2.0  |
| Subtotal .....                | 64.7 | 34.3 | 49.2 |

Notes: Data for 1930 and 1941 obtained from the Ministry of Commerce and Industry "Factory Statistics". Classification changes in 1948 prevent accurate comparisons, but "textiles" covers both "textiles" and "clothing & accessories" of Table 6, "lumbermilling & wood products" covers "lumber & wood products" and "furniture & fittings", "chemicals" covers "chemicals" through "leather & leather goods", "metal manufacturing" covers "iron & steel", "non-ferrous metals" and "metal products", "machinery & appliances" covers "weapons" and "machinery" through "measuring, surgical, physico-chemical, photo-optical, and other precision machinery". 1955 percentages are based on products shipment values. "Gas and electricity" now classed as "utilities".

### 5. WORKFORCE PATTERN BY INDUSTRIAL CLASSIFICATION

|                                | 1930 | 1941 | 1955 |
|--------------------------------|------|------|------|
| Heavy & Chemical Industries    |      |      |      |
| Metal Manufacturing .....      | 5.2  | 11.0 | 11.7 |
| Machinery and Appliances ..... | 10.3 | 37.6 | 18.5 |
| Chemicals .....                | 7.6  | 10.3 | 12.5 |
| Subtotal .....                 | 23.6 | 58.9 | 42.7 |
| Light Industries               |      |      |      |
| Textiles .....                 | 51.1 | 21.5 | 21.8 |
| Printing & Bookbinding .....   | 3.4  | 1.7  | 4.3  |
| Refractories & Ceramics .....  | 3.7  | 3.6  | 5.3  |
| Gas & Electricity .....        | 0.6  | 0.4  | —    |
| Processed Foods .....          | 8.7  | 5.7  | 12.5 |
| Lumbermilling & Wood Products  | 3.6  | 4.7  | 9.4  |
| Other .....                    | 5.3  | 3.6  | 4.0  |
| Subtotal .....                 | 76.4 | 41.2 | 57.3 |

Note: Cf. notes for Table 4.



## Kaleidoscope

**New Peak For Cement:**—Japan's production of cement in calendar 1956 totalled 12,968,535 tons, marking a sharp gain of about 23% over the output in calendar 1955 and eclipsing the past peak (1954) by nearly 22%, according to the Cement Manufacturers Association. It was also revealed by the Association that cement shipments in 1956 reached 13,003,858 tons, up 24% over 1955 and 23% larger than 1954.

**Chemical Fibres Hiking:**—An overall gain was noted in the calendar 1956 production of chemical fibres. The Chemical Fibres Manufacturers Association reported the 1956 outputs of chemical fibres totalled 980,771,000 lbs., registering a comfortable gain of 28% over 1955.

CHEMICAL FIBRES PRODUCTION  
(In 1,000 lbs.)

|                           | December,<br>1956 | Calendar 1956<br>total |
|---------------------------|-------------------|------------------------|
| Rayon filament yarn.....  | 16,734            | 181,167                |
| Bemberg rayon .....       | 1,939             | 19,023                 |
| Spun rayon.....           | 64,554            | 681,537                |
| Acetate rayon.....        | 1,108             | 13,429                 |
| High-tenacity rayon ..... | 2,406             | 22,160                 |
| Vinylon .....             | 2,474             | 23,635                 |
| Nylon .....               | 3,412             | 33,806                 |
| Vinyliden.....            | 510               | 5,183                  |
| Polyacryl series.....     | 25                | 98                     |
| Polyvinyl chloride .....  | 277               | 733                    |
| Total .....               | 93,441            | 980,771                |

Source: Chemical Fibres Manufacturers Association.

**Steel Output:**—Japan's production of iron and steel products in 1956 registered gains ranging from 13 to 18% over 1955, according to the Japan Iron & Steel Federation. The production of blast furnace pig iron totalled 5,700,000 tons, up 13% over 1955 while steel ingots reached 11,090,000 tons, up 18% and ordinary steel products aggregated 7,800,000 tons, up 17%. Special steel products made the largest leap of 54% to amount to 490,000 tons.

**Export Ships:**—Contracts for export ships (with official licenses obtained for construction) concluded during calendar 1956 totalled 123 vessels aggregating 2,228,000 gross tons worth \$644,015,000, according to the Ministry of Transportation. This was a new record for Japan's ship exports, far eclipsing the total of 129 ships aggregating 1,845,000 gross tons worth \$470,029,000 for calendar 1955.

**Sample Fair:**—Visitors to the Japanese Sample Fair opened in Shanghai from December 1 to 26 totalled more than 1,650,000 and some ¥200,000,000 worth of articles on exhibit were sold, it was revealed. Some 37,000 Chinese technicians in various fields of industry, including machine tools, spinning, printing, electricity and automobile, were invited to inspect the exhibits and exchange frank talks with Japanese experts attached to the fair. During the period of the fair, Japanese movies were shown to some 124,000 Chinese visitors in various parts of Shanghai.

**90,400,000 Population:**—Japan's population reached 90,000,000 as of July, 1956, it was announced by the Statistics Bureau of the Prime Minister's Office. With the estimated population as of the start of 1956 at 89,500,000, the increase during the first seven months of last year is noted to have

totalled 500,000. As about 400,000 births are expected in the remaining months of 1956, the New Year of 1957 is believed to have greeted the 90,400,000 population. It was also announced that marriages in 1956 totalled about 740,000, up about 30,000 over 1955.

**Rice Crop:**—The Ministry of Agriculture and Forestry on December 24, 1956 announced the last forecast of the 1956 rice crop at the estimated total of 69,757,876 *koku* (from the total cultivated area of 3,121,493 *chobu*). The estimated 1956 crop is divided into 68,076,340 *koku* in paddy rice (at the per-*tan* yield of 2.316 *koku*) and 1,681,536 *koku* in upland rice (at the per-*tan* yield of 0.922 *koku*). The estimated 1956 crop is a decrease of 9,338,274 *koku* from the 1955 crop but a gain of 2,498,696 *koku* over the normal crop, the Ministry added.

**National Nutrition:**—The per-capita calorie intake for the Japanese has returned to the prewar level, according to the "Nutrition White Paper" released by the Ministry of Welfare. The survey reported that the per-capita calorie intake in 1955 reached 2,100 calorie (2,025 calorie in the urban area and 2,176 calorie in the agrarian community). In the food life of the Japanese in 1955, rice, wheat, potato and meat made steady gains side by side with vegetables and fruits while less oils and fats were consumed. In the urban area, more sugar, beans and meat were consumed while cereals replaced such non-cereal food items in the agrarian area, the survey revealed.

**Engel's Coefficient:**—The weight of Engel's Coefficient is due to drop in the household budget of the Japanese, according to the latest survey of the consumer demand and the national livelihood made public by the Economic Planning Board on January 7. The survey envisages a 6% elevation of the national consumption standard. In the survey, the total individual income of the Japanese people in 1957 is expected to eclipse the like income in 1956 by about 8% and the weight of Engel's Coefficient will eventually drop to about 43.3% of the household budget.

**Unrepatriated:**—With the 11th group of repatriates from Soviet Russia back to Japan on December 26, the Japanese repatriation program appears to have come to a close. During the 11 years since the war's termination, about 3,880,000 Japanese nationals returned from Communist China, Soviet Russia and North Korea. The repatriation issue, however, has not as yet ended for good, as the official register of the Welfare Ministry still records some 56,291 Japanese still missing in these three areas.

**Defense Industry:**—Japan's munitions industry, long under depression due to the suspension of special procurements by the U.S. Forces and the dwindling orders from the Defense Agency, will come into the limelight again from this spring. From the standpoint of protecting munitions production, the Government in early January decided on the following steps: 1) To order bullets and blank cartridges for the National Self-Defense Forces from specialized munitions manufacturers in order to maintain the bullet-manufacturing equipments; 2) To appropriate special maintenance expenses to equipments for production or processing explosives in order to stabilize self-defense preparedness.



## Industry

### Automobiles

**A**UTO sales began to turn upwards early in 1956, but makers who had had bitter experiences of the depression up to the summer of 1955 carefully refrained from reckless production boost. Thus, output in January and February remained on the same level as the monthly average of 1955. As business was expected to get brisker, chassis makers resolved to proceed with their production increase programs. And their fabrication in March far eclipsed the 1955 monthly average and reached 7,309 units. The figure made a jump to 8,679 units in May as listed in Table 1. Though the tempo of increase slightly slackened off, monthly turnout gradually curved up and topped the 10,000-unit mark in September. Auto sales used to get dull in the hot and cold seasons, but last year there occurred no such seasonal slackness.

#### Monthly Production Topping 10,000 Units

It is to be noted that business conditions varied widely according to the types of motor vehicles with midget four-wheelers enjoying the best business. It is interesting that the production curve was far steeper for trucks than for passenger cars of the midget type: the September output was more than twice that in the first month for the former but slightly less than twice for the latter. This relationship between passenger cars and trucks remained unchanged even if account was taken of cars fabricated through technical cooperation with foreign interests, such as Austin by Nissan, Hillman by Isuzu, Renault by Hino (these three models are passenger cars) and jeep-trucks by Mitsubishi Heavy Industries, Reorganized.

Responsible for brisker sales and growing production of midget type four-wheelers strikingly contrasted to the dull business for standard trucks and buses are: 1) Small vehicles are particularly suitable

for road conditions in Japan, and 2) minor interests, especially in the field of distribution, who numerically predominate in many lines in the local industrial structure, are using an increasing number of small motor cars. This latter factor, however, cannot be regarded as a stable and long-standing one, for minor interests are so susceptible to the fluctuations of business conditions that their needs may grow or shrink sharply and frequently. This is a great handicap for the local auto industry, which has neither big export surplus nor promising outlet abroad.

Such being the circumstances, the recent boost of both sales and fabrication, especially of small vehicles, does not warrant unconditional optimism. No hope exists that the home market will grow at the present rate for a long time. Demand will get slack sooner or later unless selling prices are cut off drastically. For promotion of overseas sales, price cutting is as essential as anything else. For instance, Renault model cars assembled by Hino Diesel Industry are priced at ¥675,000 per unit, or 70% higher than the retail price of ¥400,000 in France. Almost the same is the case with all other foreign model cars assembled by local interests. In the case of trucks, Japanese makers stand in a somewhat favorable position, but their prices are 30% higher than those foreign competitors can offer on the world market.

In the business term closing with the autumn months of 1956, almost all the auto companies obtained the best postwar results. But prospects are not too bright for a new industry like auto making which has just made the first step for tackling its ticklish problems. It is feared, first of all, that the rising steel prices will necessarily cause a corresponding increase of production costs. Throughout 1956, steel quotations ruled relatively high, but this handicap was not so serious as it might appear at first sight, for steel products were supplied

1. MOTOR VEHICLE PRODUCTION BY TYPE OF CARS  
(In units)

|                | Trucks        |                      |                 |        | Passenger Cars |                      |                 |        | Total         |                      |                 |             |
|----------------|---------------|----------------------|-----------------|--------|----------------|----------------------|-----------------|--------|---------------|----------------------|-----------------|-------------|
|                | Standard Cars | Midget Four-wheelers | Foreign Models* | Total  | Buses          | Midget Four-wheelers | Foreign Models* | Total  | Standard Cars | Midget Four-wheelers | Foreign Models* | Grand Total |
| 1952.....      | 20,521        | 11,081               | 204             | 31,806 | 4,193          | 4,921                | 30              | 4,951  | 24,714        | 16,002               | 234             | 40,950      |
| 1953.....      | 25,206        | 13,737               | 2,853           | 41,796 | 5,419          | 8,237                | 3,212           | 11,449 | 30,625        | 21,974               | 6,065           | 58,661      |
| 1954.....      | 25,205        | 17,331               | 2,934           | 45,470 | 5,566          | 8,442                | 6,037           | 14,529 | 30,771        | 25,773               | 9,021           | 65,565      |
| 1955.....      | 20,286        | 24,382               | 1,451           | 46,119 | 4,808          | 15,099               | 7,300           | 22,399 | 25,094        | 39,481               | 8,751           | 73,326      |
| 1956 Jan. .... | 1,402         | 1,944                | 92              | 3,438  | 464            | 1,193                | 635             | 1,828  | 1,866         | 3,137                | 727             | 5,730       |
| Feb. ....      | 1,571         | 2,426                | 100             | 4,097  | 485            | 1,431                | 676             | 2,107  | 2,056         | 3,857                | 776             | 6,689       |
| Mar. ....      | 1,528         | 2,733                | 108             | 4,369  | 598            | 1,653                | 689             | 2,342  | 2,126         | 4,386                | 797             | 7,309       |
| Apr. ....      | 2,165         | 2,772                | 50              | 4,987  | 478            | 1,784                | 655             | 2,439  | 2,643         | 4,556                | 705             | 7,904       |
| May ....       | 2,537         | 3,067                | 80              | 5,684  | 366            | 1,930                | 699             | 2,629  | 2,903         | 4,997                | 779             | 8,679       |
| June ....      | 2,534         | 3,279                | 100             | 5,913  | 418            | 2,007                | 715             | 2,722  | 2,952         | 5,286                | 815             | 9,053       |
| July ....      | 2,553         | 3,436                | 122             | 6,111  | 450            | 2,035                | 672             | 2,707  | 3,003         | 5,471                | 794             | 9,268       |
| Aug. ....      | 2,469         | 3,828                | 167             | 6,464  | 504            | 2,135                | 635             | 2,770  | 2,973         | 5,963                | 802             | 9,738       |
| Sept. ....     | 2,606         | 4,343                | 197             | 7,146  | 545            | 2,197                | 629             | 2,826  | 3,161         | 6,540                | 826             | 10,517      |

\* Cars manufactured by local makers through technical cooperation with foreign interests, such as Austin, Hillman and Renault.  
Source: The Ministry of International Trade and Industry.



smoothly. For 1957, however, outlook will turn for the worse.

There is some fear that auto production will be curbed in some way or other not only by higher prices but also by shorter supplies of steel products. Leading makers, such as Toyota, Nissan, Isuzu and Hino, will of course be able to secure steel supplies for their own needs. But their subcontracts and parts makers, it is feared, will find it more difficult than at present to purchase a sufficient amount of materials. In the assembling industry like auto fabrication, production cannot be expanded smoothly unless key materials are provided amply to subcontractors and parts makers as well. Under the prevailing conditions, some sort of dislocation may take place in 1957 due mainly to the material shortage. Well aware of such unfavorable development in the forthcoming year, leading auto-makers have been pushing their expansion programs and sales campaigns, vying with one another. The 1956 boom turned out the best chance for them to prepare for the coming competition.

### Rivalry for "People's Cars" Hotter

In 1957, another strong spur will be given to their rivalry in connection with the Government's policy for fostering of people's cars adopted early in 1956. Under this policy, small type passenger cars, comparable with Volkswagen are to be designated as "people's cars" and to come in for every possible encouragement through governmental channels. MITI authorities hopefully expect that the auto industry will thus be promoted to such international standards that the "people's cars" may be marketed at the price of ¥250,000 per unit.

When the Government announced to proceed with this promotional measure, an immediate echo came not from auto makers but from President Yoshinari Kawai of Komatsu Mfg. Co., who announced to take every possible means for implementation of this policy and later proposed the establishment of a jointly-invested company for making of "people's cars". Then, on October 23, 1956, Toyota Motor announced that a new popular car model, better known as People's Car No. 1, had successfully been designed and fabricated at its Koromo Plant. This statement created a sensation in auto circles though the new model had not yet been put on production lines. Commenting on "People's Car No. 1", Mr. Kawai said, "It's so comfortable to drive in. I will buy it if it is priced at ¥450,000." But his words appear to have been politically designed. In fact, even among Toyota interests there was a friction of opinion between Toyota Motor and its sales agency, Toyota Motor Sales and this still remains unsolved among them. Herein lies one of the reasons why "People's Car No. 1", still on the experimental stage, has not yet been placed on production lines. In all likelihood Toyota Motor Sales took the initiative for this announcement, while on the other

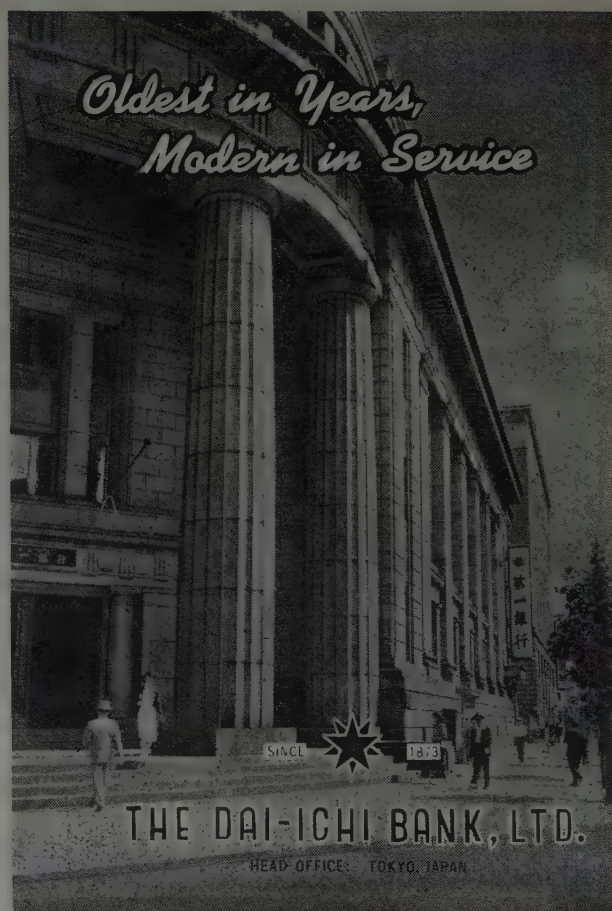
hand Toyota Motor had not yet determined to carry out the plan of fabricating 2,000 cars per month. It must have been hardly possible for the firm to estimate exactly the selling price at about ¥450,000.

### 2. PROSPECTIVE BUSINESS RESULTS OF AUTO COMPANIES

(In ¥1,000,000)

| Auto Firm             | Business Term ending with | Capital | Sales Turnover | Profit | Profit Rate, % | Dividend % |
|-----------------------|---------------------------|---------|----------------|--------|----------------|------------|
| Toyota .....          | Nov., '56                 | 3,344   | 18,000         | 1,630  | 150.0          | 20         |
| Nissan .....          | Mar., '57                 | 4,200   | 15,000         | 1,300  | 90.3           | 15         |
| Isuzu .....           | Apr., '57                 | 3,000   | 10,000         | 750    | 50.0           | 16         |
| Hino .....            | Mar., '56                 | 2,250   | 5,500          | 550    | 63.0           | 20         |
| Fuji Prec. Mach. .... | Nov., '56                 | 1,335   | 4,000          | 270    | 40.1           | 12         |
| Minsei Diesel         | —                         | —       | 1,500          | 5      | 3.0            | —          |

At any rate, the Toyota announcement brought about far-reaching repercussions in auto circles. Competing with one another, other makers have since been trying hard to get into the band wagon of the people's car campaign. Having the greatest concern about Toyota's moves has been undoubtedly Nissan Motor, which fancies itself as the foremost passenger car maker in Japan and goes so far as to make critical comments on the MITI's national car fostering policy and on Mr. Kawai's proposal for a joint corporation. Nissan people are apparently opposed to the Government-sponsored people's cars, for they opine that the nation alone, not all the Government, is authorized to select people's cars in the capacity of customers. At the bottom of their hearts they think that their Datsun model is well





qualified to the title of people's cars. Datsun cars, in their opinion, are well comparable in performance with Toyota's new popular cars, and they can be fabricated at the rate of 2,000 units a month and marketed at the price of ¥450,000 per unit.

Almost the same stand has been taken by Hino Diesel Industry, President Okubo of which is confident that, if and when made on a substantial scale at its Hino Plant, Renault cars could be offered cheaper than in France. If steel and non-ferrous metal products are supplied at international prices, the cost rise to be caused by imports of some parts from France might well be written off by the reduction of personnel expenses, it is estimated by Hino planners. Fuji Precision Machinery (a new firm set up through merger of two prewar aircraft firms—Nakajima and Tachikawa—under the orbit of Bridgestone Tire) is also engaged in experimental fabrication of three models (200 cc, 400 cc and 600 cc). Ambitious researches are being stepped up by two minor interests under the wings of Tokyo Electric Express Railway—Japan Internal Combustion Engine Mfg. (so far specializing in tricycles) and Ohta Motor (making four-wheelers, now mapping out a workable plan for rehabilitation from the 1954 failure). These firms are expected to merge themselves into one motor corporation as of April 1, 1957.

From the foregoing, it may be concluded that both the MITI's policy and Mr. Kawai's idea have been overshadowed by the ever-intensifying rivalry for people's cars. Which maker will be the first to make such cars successfully and thereby will make an advance even into the world market remains to be seen within 1957. Competition, after all, will assume cut-throat proportions.

Nothing, therefore, is more essential than technical improvement and cost reduction. For this purpose, selling agencies must needs be bolstered and mass production equipment modernized by all means. As these require a huge amount of funds, those interests which successfully earn such large profits that a sizeable sum of net worth may be earmarked for equipment modernization will win the race in the long run.

In this respect, it is of great interest that the total amount of equipment investments since 1951 is quite in proportion to the actual competitive power of each auto company. From 1951 through 1955 (fiscal year), equipment investments summed up to ¥4,400 million for Toyota, ¥4,200 million for Nissan, ¥2,600 million for Isuzu, ¥1,800 million for Hino and ¥100 million for Fuji Precision Machinery. This is just their order in actual capacity as auto makers. Their future ranking is much dependent upon, among other things, how much funds will newly be invested for equipment modernization and expansion from 1956 through 1957.

At the end of the business term closing with May, 1956, net worth (including depreciations) amounted to ¥390 million for Toyota, ¥610 million

for Nissan (in this case, special depreciation at as much as ¥210 million), ¥263 million for Isuzu, and ¥158 million for Hino. These figures can be regarded as indicating the rough ranking of the auto makers though due consideration must be paid to the reserve available from the distribution of profits.

Let us now turn our attention to the production and rationalization programs of leading auto manufacturing corporations.

### Toyota Motor

Consolidating its position as the biggest auto builder in Japan is undoubtedly Toyota Motor Co., which allocated the bulk of the aforementioned ¥4,400-million rationalization investments during 1951-55 for bigger fabrication of midget four-wheelers. At the end of May, 1955, its production capacity climbed up to 3,700 units a month from 1,750 units in 1951, and it is being boosted with 5,000 units as the ultimate goal. As listed in Table 3, output of midget four-wheelers alone in November, 1956 approached the 4,100-unit mark, or about thrice as much as a year ago. Time will come soon when 1,000 standard cars will be fabricated, increasing more than two times from a year ago. Thus, the company will account for over 40% of the total auto production, including all types of motor cars. Its share will be as high as 60% if account is taken only of midget trucks, inclusive of the Toyo-Ace model which has been encroaching upon the tricycle truck market. As for the Toyo-Ace model, the current output of 1,200 units a month will be increased to 1,800-2,000 units by the end of 1957. In such a case, the selling price of ¥490,000 will be cut off visibly.

### 3. AUTO PRODUCTION BY TOYOTA MOTOR

(In units)

|                       | Standard Cars | Midget Four-wheelers (passenger cars in brackets) |
|-----------------------|---------------|---|
| 1955: September ..... | 375           | 1,262 (623)                                       |
| October .....         | 438           | 1,326 (541)                                       |
| November .....        | 436           | 1,401 (554)                                       |
| December .....        | 363           | 1,537 (635)                                       |
| 1956: January .....   | 385           | 1,548 (589)                                       |
| February .....        | 425           | 2,030 (680)                                       |
| March .....           | 433           | 2,425 (825)                                       |
| April .....           | 635           | 2,564 (922)                                       |
| May .....             | 807           | 2,876 (1,012)                                     |
| June .....            | 829           | 3,082 (1,056)                                     |
| July .....            | 846           | 3,209 (1,040)                                     |
| August .....          | 910           | 3,581 (1,123)                                     |
| September .....       | 897           | 3,751 (1,123)                                     |
| October .....         | 899           | 4,175 (1,235)                                     |
| November .....        | 956           | 4,087 (1,252)                                     |

The Toyopet model, however, will have to compete with formidable rivals, such as the Nissan Junior. In the field of passenger cars, Toyota Motor comprises not more than 35% of the total production, ranking second next to Nissan Motor. Giving up the Toyopet-Master popular cars, the company now is concentrating production efforts upon the Toyopet-Crown model, the retail price of which has been



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MODEL  
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lowered from ¥950,000 to ¥875,000. Vying with this model as well as the Toyopet-De Luxe are the two cars fabricated through technical collaboration with foreign interests—the Austin for which Nissan Motor is trying hard to start mass production in 1957 and the Hillman which Isuzu Motor will offer at competitive prices—and some others of domestic design, such as Nissan's Datsun and Fuji Precision Machinery's Prince passenger cars.

In the field of standard vehicles, Toyota has up its sleeves an ambitious plan for diesel car manufacture, for which ¥1,500-1,600 million will be invested within 1957. This is a bold challenge to the firms which have established themselves in this field—Isuzu and Hino.

The reasons why Toyota has thus grown up to become the foremost auto maker from the status of a local textile machinery firm can be summarized as follows: 1) Active investments in up-to-date equipment and production expansion through equipment rationalization, 2) establishment and successful management of an independent sales company (Toyota Motor Sales) to which manufactured cars are to be delivered on cash, whereas this sort of machinery sales has not yet been undertaken by other auto makers, 3) as the result of such effective production and marketing efforts, in spite of the magnitude of equipment investments in the past, the growth of capital exceeds by over ¥4,000 million the total amount of equipment investments, and loans from banks and other institutions sum up to not more than ¥1,000 million, or far smaller than those of competitors, with the consequence that the burden of capital interest is far lighter than that on other auto firms, and 4) subcontractors and parts makers under the wings of Toyota are well united and effectively mobilized, including Toyota Automatic Loom Works (engines), Nippon Electrical Equipment (batteries and radiators), Toyota Auto Body (midget truck bodies), Kanto Jidosha (passenger car bodies, Toyota Machine Works (machine-tools) and Toyo Radiator (radiators).

#### *Nissan Motor*

A good match to Toyota is Nissan Motor Co. There is nothing to choose between the two though Toyota appears to have surpassed Nissan in terms of postwar business results. But it can be said that Nissan completed its preparations in 1956 to overtake and outrun Toyota. Responsible for the former's falling-behind in the past years were: 1) The requisitioning of its main plant (Yokohama) by the Allied Forces and the deconcentration of its plants at Yoshikawa (Yokohama), Atsuki and Sunamachi in striking contrast to the well-organized concentration at Koromo of Toyota's plants, 2) the repeated labor disputes, and 3) the subsequent delay in equipment modernization. In 1956, however, the Allied requisitioning was lifted, and auto plants and equipment were concentrated at the Yokohama Plant, while on

the other hand the Sunakawa and Atsuki plants were reorganized as independent companies.

#### 4. AUTO PRODUCTION BY NISSAN MOTOR (In units)

|                      | Standard Cars | Midget Four-wheelers (passenger cars in brackets) | Foreign Model (Austin) |
|----------------------|---------------|---|------------------------|
| 1955: September..... | 570           | 1,192 (454)                                       | 139                    |
| October.....         | 661           | 1,271 (494)                                       | 208                    |
| November.....        | 678           | 1,103 (446)                                       | 171                    |
| December.....        | 574           | 1,221 (495)                                       | 161                    |
| 1956: January.....   | 521           | 1,074 (500)                                       | 184                    |
| February.....        | 523           | 1,271 (650)                                       | 200                    |
| March.....           | 483           | 1,284 (705)                                       | 199                    |
| April.....           | 811           | 1,289 (715)                                       | 175                    |
| May.....             | 924           | 1,446 (772)                                       | 234                    |
| June.....            | 816           | 1,488 (801)                                       | 225                    |
| July.....            | 873           | 1,551 (865)                                       | 234                    |
| August.....          | 767           | 1,634 (891)                                       | 234                    |
| September.....       | 905           | 1,999 (968)                                       | 201                    |
| October.....         | 983           | 2,512 (1,119)                                     | 206                    |
| November.....        | 1,028         | 2,747 (1,108)                                     | 276                    |

Nissan controls only two subsidiaries, namely Shin Nikkoku Kogyo (bodies) and Minsei Diesel Kogyo (diesel engines), whereas Toyota has under its orbit a series of well-coordinated subcontractors and parts makers. For it is making almost all sorts of major parts and accessories at its own plants. At the Yokohama Plant, for instance, plans now are being accelerated for substantial modernization of forging and pressing facilities. It has been pushing the policy of investing as much capital as possible in important manufacturing divisions. A huge fund of ¥300 million has been earmarked for installation of transfer machines, thereby taking the first step toward all-out rationalization and modernization.

It is also noteworthy that Nissan has been trying hard to introduce foreign techniques into fabrication of Datsun passenger cars in cooperation with Austin interests. Its efforts have been directed not so much toward assembling of Austin cars through parts imports as toward elevation of its techniques to the international standard. The recent technical improvement of Datsun cars can be seen in the fact that they are favorably competing with Toyopet cars in efficiency as taxi and hired cars in urban areas, and that they are enjoying popularity among important users in major cities.

As passenger car maker, Nissan eclipses Toyota and ranks first, if account is taken of Austin cars as well. In November, 1956, the 4,000-unit-a-month mark was exceeded, and sales have been getting brisker (see Table 4). Thanks to the operation as from the spring of 1957 of the new casting and forging plants, the concentration of auto plants and equipment at Yokohama and to the progress of the rationalization program, preparations appear to have been completed for manufacture of 5,000 units per month, inclusive of standard cars and Nissan Junior trucks. Thus, Nissan, is a formidable rival for Toyota.





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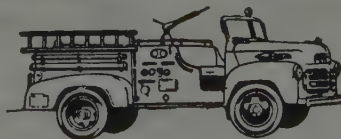


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Nissan Motors, being highly developed in their various activities with high efficiency, has won favorable reputation for their products among overseas clientele.



As of January 31, 1957, Nissan will double its capital to ¥4,200 million. Including the ¥2,100-million capital boost, a total of about ¥4,000 million will be invested for equipment expansion and modernization. This is apparently intended, among other things, for successful competition in the "national cars". Such a challenge to Toyota is being watched with great interest, for it certainly will bring about far-reaching effects on the future of the auto industry.

#### *Isuzu Motor & Hino Diesel Industry*

Neither Isuzu Motor nor Hino Diesel Industry can stand comparison with the two magnates above explained (see Tables 5 and 6). Specializing in diesel cars, however, both of them have their own merits.

Isuzu has established its unchallengeable position in diesel car production. Its efforts have been devoted to this division to the extent that it now appears to have little interest in the rivalry with Nissan and Toyota in other fields. With the total fund at about ¥3,000 million, its three-year plan is aimed mainly at greater fabrication and better performance of diesel cars. Under this plan, 5,500 diesel cars (916-917 units a month) and 1,800 Hillman cars (300 units a month) are to be made in the six-month term closing with October, 1957, and the output goal in the subsequent term is scheduled at 6,000 diesel and 3,000 Hillman cars.

Such production increase of standard vehicles, mostly diesel-engined, is apparently intended not only for domestic delivery but also for overseas shipments, especially to Burma and other backward countries. It is expected that the outbreak of the Suez Canal dispute will stimulate purchase offers from the Near and Middle East. Nissan and Toyota are reported to have got active inquiries for midget all-wheel-driven cars and fire-brigade vehicles.

Isuzu has reportedly mapped out a long-term plan to transfer its plants at Tsurumi (engine making) and Sueyoshi (casting and forging) to Kawasaki and to construct a big assembling plant there. But it now appears to have fallen behind others in this direction.

#### 5. AUTO PRODUCTION BY ISUZU MOTOR

(In units)

|                       | Standard Cars | Foreign Model (Hillman) |
|-----------------------|---------------|-------------------------|
| 1955: September ..... | 621           | 170                     |
| October .....         | 618           | 169                     |
| November .....        | 480           | 167                     |
| December .....        | 673           | 170                     |
| 1956: January .....   | 521           | 151                     |
| February .....        | 686           | 176                     |
| March .....           | 733           | 190                     |
| April .....           | 699           | 180                     |
| May .....             | 755           | 165                     |
| June .....            | 817           | 190                     |
| July .....            | 780           | 138                     |
| August .....          | 814           | 101                     |
| September .....       | 857           | 128                     |
| October .....         | 920           | 206                     |
| November .....        | 847           | 205                     |

#### 6. AUTO PRODUCTION BY HINO DIESEL INDUSTRY

(In units)

|                       | Standard Cars | Foreign Model (Renault) |
|-----------------------|---------------|-------------------------|
| 1955: September ..... | 190           | 250                     |
| October .....         | 216           | 270                     |
| November .....        | 220           | 300                     |
| December .....        | 240           | 300                     |
| 1956: January .....   | 225           | 300                     |
| February .....        | 230           | 300                     |
| March .....           | 237           | 300                     |
| April .....           | 238           | 300                     |
| May .....             | 245           | 300                     |
| June .....            | 266           | 300                     |
| July .....            | 279           | 300                     |
| August .....          | 279           | 300                     |
| September .....       | 276           | 300                     |
| October .....         | 300           | 150                     |
| November .....        | 320           | 450                     |

Hino Diesel Industry is manufacturing 320 standard and 300 Renault cars in recent months. It deserves special mention that 300 Renault cars are being made per month contrasted to the monthly turnout of 200 units for the Austin and Hillman. This is because Renault cars are offered cheaper than the other foreign models. As in July, 1956, the price was cut down to ¥675,000 from ¥700,000, so Hino could barely make both ends meet for some time. Due to the stepping-up of local fabrication, however, business has gradually been placed on a paying basis.

Throughout 1957, output of Renault cars will have to be restricted within the limit of 300 units a month because foreign exchange allocations for parts imports are curtailed. But mass production can well be anticipated before long as a new body making plant now under construction at Hino will be completed by that time. The ultimate goal is scheduled at 1,000 units a month, or well comparable with the output of Datsun cars. All this indicates that Hino is ready to enter the arena in connection with the "national car" race.

Hino is noted for its large-type diesel vehicles though it is outrun by the other three makers in total production and sales turnover. Not only diesel car sales are brisker than ever, but also there is much room left for bigger production at the main plant at Hino. And rationalization is proceeding smoothly. Prospects are particularly bright for its large-type diesel trucks equipped with big capacity at lower running cost.

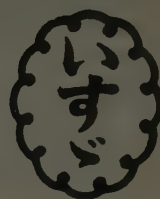
#### *Fuji Precision Machinery*

This company was formally established in 1950 through merger of Fuji Precision Machinery (succeeding to the wartime Nakajima Aircraft Co.) and Prince Motor (a second company of the wartime Tachikawa Aircraft Co.), both placed after the war's end under the control of Bridgestone Tire Co. Converting to this field only after the war, it has had least experience in auto making, but it has built up well-established reputation as an engine maker because it has made best use of its wartime technique and equipment for aircraft engines.

Though its main business is manufacture of midget



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four-wheelers, especially trucks, the company is fabricating a large variety of machinery and appliances (sewing machines, diesel engines for farm use, bike-motors, automatic reeling machines, projectors, surveying rockets, aircraft repairs, etc.). Taking active part in the establishment and operation of Japan Jet Engine Co., it is preparing step by step for the forthcoming rebirth in Japan of the aircraft industry, which is quite outside the business field of all other auto makers. Aircraft building still in its infancy, however, motor vehicles account for more than 70% of its total sales turnover. But its auto business is incomparably smaller than that of other interests, particularly in the field of passenger cars.

For all this, it is noteworthy that Fuji was making 730-780 midget cars, mostly trucks, per month toward the end of 1956 and that it is proceeding with the plan of boosting monthly output to 1,000 units in the first half of 1957. Funds to be invested within 1957 for production increase and equipment rationalization are scheduled at ¥2,000 million. Another notable fact is that experimental fabrication of three types (200cc, 400cc and 600cc) "national cars" is stepped up.

Fuji's future course will be no plain sailing as the rivalry among the leading chassis makers is getting hotter than ever. But there can be no doubt that its 1,000-unit production plan will suffer no serious hitch because it has a sizeable amount of reserved profits and no large amount of external loans.

#### *Tokyo Electric Express Railway*

Trying hard to overtake these five makers are Japan Internal Combustion Engine and Ohta Motor, both under the orbit of Tokyo Electric Express Railway, which are to merge themselves into one big firm and to mass produce small type four-wheelers. The former has been specializing in tricycle trucks and the latter in small four-wheelers. When plunged into financial difficulties in 1954 due to the deflationary depression, both were put under the direct control of Nippon Kotsu K.K. (one of the big taxi and hired car operators in Tokyo), a subsidiary of Tokyo Electric Express Railway.

Japan Internal Combustion Engine (capitalized at ¥400 million) has made successful recovery from the 1954 setback thanks to the brisk business in tricycle production, and it now is making 700 units a month. In the six-month term ending with September, 1956, its business results improved to the extent that a 15% dividend was declared. Ohta Motor (capitalized at ¥100 million) finished necessary legal procedure as a "rehabilitation company" in October, 1956, and it has since been fabricating about 100 midget four-wheelers per month (see Table 8). In April, 1957, these firms will be combined into a ¥500-million corporation.

This amalgamation plan is reported to have been mapped out in view of the recent inroads upon the tricycle market of midget four-wheelers, and its ultimate aim is to place a cornerstone for substantial production of four-wheelers in the future while

tricycle business is still in some sort of prosperity. The existing four tricycle plants are to be put together at Samukawa, Kanagawa prefecture, and a new plant is to be constructed for making four-wheelers somewhere in Saitama prefecture. Equipment funds necessary for implementation of such construction works are estimated at about ¥2,000 million to be invested gradually for three or four years to come. For fabrication of midget four-wheelers, a slow but steady program is to be enforced: i.e. 120-130 units a month in the first, 150-170 units in the second, 200-250 units in the third and 300-400 units in the fourth year. In this manner, preparations will be made cautiously step by step for the possible recession for tricycle trucks and their gradual replacement by four-wheelers.

Success or failure of this well-calculated plan is being watched with great interest, for it has been worked out under the direction of Tokyo Electric Express Railway, a going concern making successful entries into various business lines, and will be carried out by Nippon Kotsu, one of the biggest auto users in the metropolitan area.

#### *Mitsubishi Nippon Heavy-Industries & Mitsubishi Heavy Industries, Reorganized.*

We must take a look here at Mitsubishi Nippon Heavy-Industries, which is actually one of the pioneers in the automobile industry. The company, which turned out passenger cars on an experimental basis as early as 1917, captivated the customers' heart with such high-efficiency cars as Fuso B 46 Models (first introduced in 1932) and Fuso BD 46 Models (in 1935). The latter is all the more significant in that it was the very first Diesel cars fabricated in Japan.

Now the company is busily engaged at its Kawasaki Plant in the production of "Mitsubishi Fuso" R 220 Model rear-engined buses (which are extremely popular as sight-seeing buses and other service purposes), Bonnet type B 2 Model Diesel buses, T 3 Model 8-ton Diesel trucks (biggest in Japan), dump trucks, tractors, and truck cranes.

Demands are getting active not only from the local customers but also from the overseas buyers. In 1956, the company exported 300 big rear-engined buses (R 32 Model 100 passenger carriers) to Chile and negotiations are now underway with the same country for another 300 of the same type.

Mitsubishi Heavy Industries, Reorganized entered into a technical tieup with Willys-Overland, Ltd. (U.S.A.) for the production of four-wheel cars including jeeps. Jeeps made the debut in this country after the war for the use by the U.S. forces in Japan but are now widely used by the self-defense forces and civil-engineering workers because of their durability, maneuverability and low prices. Hence, the production by the Company has been on the steady hike. Exports of jeeps have also become highly promising because of the rising demand in Southeast Asian countries.





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*Glimpses of Japanese Culture*

## Japanese Swords &amp; Swordmaking

By Junji Homma

Japanese swords, as described here, are those made during and after the Heian Period (794-1184) when features of Japanese art swords came to be established. Although literature tells us that Japanese swordmasters learned much from their counterparts in China and Korea during and before the Nara Period (645-794), the scarcity of extant specimens robs us of any means for comparative study of the swords of that time.

Needless to say, swords were originally made as arms for fighting. But in the case of Japanese sword making, we might say that more attention has been paid to the artistic beauty of a blade rather than to its born sharpness. Sword lovers today, as in ancient times, weigh a sword as much by its beauty as by its practicality.

Swords, thus made mostly for art connoisseurs, are then taken care of by professional whetters, who are trained, during those ten centuries, for polishing up and bringing the innate beauty of the edge pattern out of the tempered steel, even at the cost of its sharpness. The basis for choosing and registering swords as national treasures or important cultural properties then is likewise beauty and nobility, without which no Japanese sword, no matter how superb otherwise, will qualify for nominations.

In 1945, General Douglas MacArthur, then Supreme Commander of the Occupation Forces, issued orders prohibiting Japanese to possess any sort of weapons, including swords. But he had sense enough to exempt swords of artistic quality, a decision which delighted every true lover of art swords. To the regret of all concerned, however, this exemption was not put into effect for almost a year, and many valuable swords were wrested away from their owners by the Occupation personnel, only to be thrown into the sea or taken home as souvenirs. Included among them are 42 swords listed either as national treasures or important cultural properties.

As the custodian of cultural properties in Japan I sincerely wish for the return of these registered objects to their legal Japanese owners. So far as the rest of the swords are concerned, I ask for the strict observance of the following request to holders of Japanese swords in foreign lands. The request, in a word, is for the new owners of the swords to treat them with love and respect. They should most of all pay great attention to the problems of rust and polishing.

The Japanese sword is customarily cared for by whetters of many years' experiences. There are ten different steps of polishing and to learn all of them is a gigantic undertaking indeed. Consequently no laymen dares to polish the tiniest taint off the blade for fear of destroying the overall pattern. I have never heard of any experienced polisher of Japanese swords operating in foreign lands either before or after the Pacific War. But now with the great exodus of Japanese swords into foreign countries, the owners should strive either to invite experienced sword whetters from Japan or to send students to Japan to learn the techniques of Japanese sword polishing. If this is not possible, the foreign owners should never hesitate to send their swords to Japan for polishing if they find the slightest taint on the blades.

I would like to call attention here to the fact that there are countless forgeries of prized Japanese swords, which of course warrant no experienced attention. Equally numerous reformed swords exist (reformed because of dullness, loss of temper, and

other accidents) from which any polisher, however expert, could hardly coax beauty.

Japanese swords about 900 years old (not unearthed but handed down through generations from the Heian and Kamakura Periods) are uncommon—a fact which surprises most Western connoisseurs. These old swords are apt to have such defects. Reformed swords can, of course, withstand practical use but the original beauty can never be restored.

Expense for whetting is another thing. Among sword connoisseurs, it is said that good polishing equals the cost of the sword itself. The average polishing fee is about ¥8,000 and up, while the price of a national treasure sword is from ¥3,500,000 to ¥5,000,000. Good swords, off the list of government-registered objects, cost up to ¥500,000.

For some time after the war, interest in swords among the Japanese dwindled considerably for fear of the Occupation authorities. Now more than 10 years after the war, the hobby of sword collecting is rapidly spreading day by day. One of the main reasons for this new trend is undoubtedly that many of the possessions of the Imperial Household have been transferred to the National Museum in Tokyo for public appreciation and that most of the swords belonging to the nobility have been either transferred to museums or sold to private connoisseurs. According to literature, there was a strict unwritten law in the old days forbidding an ordinary *samurai* to carry swords made by swordmasters of fame. The law was gradually tightened from the time of the Toyotomi and the Tokugawa Shogunate. Only the *shogun*, *daimyo* (feudal lords) and *karo* (principal retainers) of influential feudal lords were permitted to carry swords of any importance.

In feudal days, swords were one of the most popular gifts among *shogun* and *daimyo*, and there were fairly strict ranks among sword makers. Swords of some makers were presentable either to *shogun* or to *daimyo*; others were presentable only to *daimyo*. When some *daimyo* made a gift of a sword, he had to obtain a certificate (*origami*) from the Shogunate. On the certificate were usually written the name of the maker and the price. Later, in the middle of Yedo Period (1603-1869), the price on the certificate became a mere nominal figure bearing no relation to the actual market price. But at the time when the certificate system was initially adopted, the price on the certificate was almost identical to that on the market.

Some swords made by the famous *Masamune* cost as much as seven hundred gold coins and those of *Yoshimitsu* cost about five hundred gold coins. Seven hundred gold coins at the time could buy about 25,250 bushels of rice. You can imagine the exorbitance of the price if you know that the ordinary *samurai* lived on only 500 bushels of rice a year. In terms of the present yen value, a *Masamune* sword will cost as much as ¥56,327,500 and a *Yoshimitsu*, ¥40,162,500.

Historical records show that Shogun Toyotomi forbade farmers to possess swords and hunted the weapons to make nails for building his numerous shrines and temples.

The notorious Tokugawa Shogun once put a prosperous trader in exile on the pretext that he had possessed a sword of Shogunate caliber. Thus in the feudal days, possession of swords were strictly limited and any mention of another's sword was a taboo. Even after the Meiji Restoration, the descendants of *Shogun* and *Daimyo* treasured their swords as the priceless



mark of their elevated stature and were loathe to let others even see them. It is only those thirty years that these "daimyo swords" came to be sold to connoisseurs in any quantity.

The registration of national treasures in Japan started in 1897 but until 1927, the objects of this classification had been limited only to objects owned by shrines and temples. It was then expanded to cover general connoisseurs.

In 1950, all the former national treasures were made "important cultural properties" and only items which were important and unique in terms of world culture were newly re-registered as national treasures.

At present, 93 swords are national treasures, 611 "important cultural properties" and other 1,080 "important art objects". How many swords, are in existence at present? It is next to impossible to know the exact number but there were about 3 million swords in the Meiji Period. Deducting a million destroyed or confiscated by Occupation personnel, it is now roughly estimated that around 2 million swords are widely distributed throughout Japan. The large number shows how difficult it is for the swords to win the three government registrations.

What I would like to stress here is the fact that cutting ability is not considered when a sword is presented for any government appraisal. Only the nobility and gracefulness which emanate from form, fashion, surface and that peculiarly Japanese pattern on the blade, together with the condition in which the sword has been kept determine the value of a sword. The reason why the cutting ability is not examined is simple. Japanese swordmaking was perfected by the end of the Heian Period (794-1192) and if famous swordmasters follow the traditional methods, the sharpness is always guaranteed.

One of the most important characteristics of Japanese swordmaking is that the steel is made out of iron sand. This steel is called *tamshagane* and is known as the best of its kind. Swordmasters temper the steel over and over again, sometimes adding steels of different hardness to give the blades their famous shades and tenacity. This is called *kawagane* (wrapping steel) and is wrapped around the *s'ingane* (inner steel) a softer steel to give a sword its elasticity. To further augment the hardness of the edge, while giving greater elasticity to the sword itself, masters apply refractory paste everywhere except the edge just before forging the sword. This produces the unique whitish pattern called *hamon* on the blade when it is whetted. Swordmasters later tried to coax more beauty out of their products by trying various ways of applying refractory mud.

Two prototypes are discernible in the patterns on Japanese blades. One is a wavy whiteness all along the edge, as if drawn with a piece of chalk. Another is more nebulous and looks like grains of sand set in artistic patterns. Taking these two prototypes as a starting point, swordmasters create their own patterns—some with wavy lines in bold relief, some nebulous, others with big grain patterns and still others with smaller grains.

These varying patterns are created by forging while applying slightly warm water. We call the whitish shade "*nioi*" and the grain pattern "*nie*". In metallurgy, all these patterns are termed "martensite phenomenon."

The important points in evaluating the Japanese sword, then, are form, fashion, surface, and patterns. Besides this, connoisseurs carefully inspect the shape of the tang, the way it has been filed and the swordmaster's name inscribed with a burin. As for the maker's signature, connoisseurs judge by three points—style, strength and form of the characters. If there is chiselling on the blades, that also becomes the subject of discussion.

Now let's go deeper into sword appreciation. We call a sword longer than 2 *shaku* (about 2 feet) "*katana*" (length of

tang not included), one longer than 1 *shaku* and less than 2 *shaku* "*wakizashi*" (side sword), while a sword shorter than 1 *shaku* is called *tanto* (dagger).

Among the swords, the fashion in the Heian and Kamakura Periods (794-1334) was the great difference in the width of the blade between the point section and the part near the tang thus making the triangular point of the sword extremely small. The general curvature of the sword is also pronounced.

In Nanbokuchō Period (1334-1392), the difference in width became less and less pronounced, making the triangular at the point of the sword proportionately greater. In Momoyama Period (1573-1598) through the middle part of Edo Period (1603-1867), the sword curvature became less acute.

*Wakizashi* (side sword) became the fashion after the Muromachi Period. Gorgeous blade patterns were developed after the middle of the Kamakura Period (1192-1333). The superb white wave patterns are the trade mark of swordmasters of *Bizen* area, while grain patterns are characteristic of makers in *Yamato*, *Yamashiro* and *Sagami*. The *Yamato* sword has fine straight edge-pattern along the blade. If the sword has on its tang file markings of either ㄱ or ㄴ, the weapon is surely made either by the *Yamato* or *Mino* country sword-masters.

Makers in Kamakura and Nanbokuchō Periods inscribed their names on the outside part of the blade (when the sword is worn at the left side with its edge down). After the Muromachi Period (1393-1572), the names were put on the opposite side. On the *tanto* (dagger) the name is always found on the outside part of the blade when the sword is worn with its edge upward.

On the swords made after the Muromachi Period (usually known as new swords), makers' names are always preceded by names of the provinces of old Japan such as *Yamashiro*, *Yamato* and *Bizen*.

There are two major divisions in Japanese swords—old and new. There is a great technical difference between the two, and usually the old swords, especially those of the Kamakura Period, are superior to the new. Most national treasure swords were produced in that period. Swords in the early Muromachi Period are just as fine but constant civil wars lowered swordmaking technique as a result of the very high demand and mass production. But even in this turbulent time, some good swords were produced when the masters had their own time. No period, therefore, produced more swords of so varying qualities.

Many excellent swords were made at the beginning of the "new sword" period. From the middle of Edo Period, swordmaking techniques have dropped slightly in general, but there were always some masters who preserved the ancient art at a high level.

We call the swords made after the Meiji Period as "modern swords". With the prohibition on carrying swords enacted by the Meiji Government, demand for new swords dwindled to almost nothing and the decline continued until the Sino-Japanese Incident in the current Showa Period.

As Japan was involved deeper and deeper in the world struggle, demand for swords became so active that even imitation swords made with completely inferior materials and techniques made their shameful debut. To our great relief, however, the true tradition of Japanese swords was kept intact even through the hectic years of the Pacific War.

Although I regret that many first rate Japanese swords have been taken away by the Allied officers, I find some solace in the fact that through that unfortunate situation, many foreign connoisseurs have opened their eyes towards the excellence of Japanese swords.

(The writer is chief, arts and crafts section, Cultural Properties Protection Commission)



## Commodity Market

**Cotton Goods:**—Cotton yarn started the year of 1957 in a calm tone and continued rather quiet into February in the absence of any particular stimulants. The supply-demand of cotton goods fared comparatively well in 1956 as production kept pace with domestic demand and overseas sales. The 1956 exports of cotton fabrics totalled 1,250,000,000 square yards, marking a gain of 100,000,000 square yards over 1955 due to 1) the world-wide business boom and the resultant increase in shipments of processed cotton goods to the United States and Western Europe; 2) Hiking ICA purchases by Southeast Asian countries suffering from foreign currency shortages; 3) Favorable effects of the Suez Canal crisis on Japanese exports; and 4) An increment in sales to Communist China. All such accelerators are expected to continue in 1957, although import restrictions likely to be tightened in the United States and Europe are likely to offer some dampers, particularly to the sales of high-grade cotton fabrics like velveteen. The uncertainty of processing contracts (of American cotton) for Burma, Indonesia and Pakistan may also prove as an additional brake. On the other hand, comfortable gains are expected in sales to the Communist area and Middle and Near East countries. Domestic demands for cotton goods advanced at an unexpectedly fair pace in 1956 with the sales in the second half reaching 130,000-150,000 bales (in terms of yarn) as compared with 80,000-128,000 bales in the first half. Responsible for the increasing domestic shipments were: 1) The increase of national income; 2) Progress in the processing techniques; and 3) The effects of P.R. campaigns conducted by leading cotton goods manufacturers. Domestic demands for cotton goods are likely to continue fair into 1957, but not at a particularly encouraging tempo in view of the increasing competition with chemical fibres. Parallel with rising demands, production also forged ahead with the monthly output of yarn topping the 200,000-bale mark from April, 1956. The monthly output reached 228,000 bales in September, advanced to 235,000 bales in October, gained to 237,000 bales in November and finally soared to 240,000 bales in December. Consequently, domestic inventories increased in parallel, reaching 402,000 bales in September 411,000 bales in October and 416,000 bales in November, although they were far less than the original estimate of 500,000 bales by the end of the year. For all the favorable showings of the sales, production and inventories, however, the impact of overequipment (9,000,000 spindles) still remains heavy on Japan's cotton industry. With the monthly output of yarn well averaging 240,000 bales, any slip in demand will immediately cause stockpiles to swell.

**Chemical Fibres:**—Filament rayon yarn quotations have been on the slips since the turn of the year. Principal dampers to the market are: 1) Purchases by Indonesia, one of major customers for Japanese rayon fabrics, have been at a standstill; and 2) Increasing inventories at leading production centres such as Kanazawa and Fukui. The filament rayon yarn production, on the sharp gain throughout 1956, came to total 21,518,000 lbs. in December, exceeding the output in the like month a year ago at 17,333,000 lbs. by 24% and the increasing tempo is certain to continue into the current year. On the other hand, the 1956 exports of rayon items amounted to 100,000,000 lbs. in terms of yarn, marking a sharp hike of about 50% over the 1955 shipments. While the outlook of the exports to Indonesia is still uncertain, sales of rayon filament yarn to Communist China are expected to swell and domestic demand

will also gain. Taking all such stimulants and dampers into consideration, the supply-demand balance of yarn is likely to continue harmonious despite the marked rise of production.

The 1956 production of spun rayon increased notably with the prices markedly dropping in parallel. The price which stood at ¥107-108 per lb. in the first half last year slipped to ¥104 in September, dived below the ¥100 mark in November and now is moving around ¥90. The export prices have even dipped to ¥81. The increasing tempo of spun rayon yarn has been slower and the prices have been comparatively more stable at about ¥130 for near-future deliveries. The collapse of spun rayon yarn prices, however, is expected likely in the second half of the current year when new spindlage, now in construction, is placed in operation, depending on the future transition of exports.

**Woollen Yarn:**—The woollen yarn market has continued steady. With the additional imports of 350,000 bales in the second half, the wool imports for fiscal 1956 were boosted to 1,170,000 bales, 440,000 bales larger than the fiscal 1955 imports and the domestic production of worsted yarn in calendar 1956 is estimated to have totalled 150,000,000 lbs., a gain of more than 20% over the calendar 1955 output. With the smooth supply of wool guaranteed, the yarn production march is bound to continue. The 1957 yarn export goal is set at \$75,000,000, more than 10% higher than the 1956 exports of \$67,000,000. Woollen yarn manufacturers count the continued spell of the world business boom, larger shipments to the Near and Middle East and increased purchases by Communist China among major spurs to 1956 exports.

**Raw Silk:**—The raw silk quotations in the second half of calendar 1956 moved around the ¥200,000 (per bale) mark and continued soft into 1957. The dull market is considered chiefly due to inactive exports. During the six-month period (June to November) last year, raw silk exports amounted to only 39,089 bales, a loss of 20% from the like period a year ago while domestic sales reached 128,821 bales, up 18%. The export lethargy is chiefly due to the advance of Chinese silk which encroached upon the Japanese silk market in Western Europe. Shipments to the United States, on the other hand, marked a gain.

### MAJOR TEXTILE QUOTATIONS

|       |        | Cotton<br>Yarn<br>(Osaka) | Rayon<br>Yarn<br>(Osaka) | Spun Rayon<br>Yarn<br>(Osaka) | Woollen<br>Yarn<br>(Nagoya) | Raw<br>Silk<br>(Yokohama) |
|-------|--------|---------------------------|--------------------------|-------------------------------|-----------------------------|---------------------------|
| Aug.  | 4....  | 183.7                     | 256.0                    | 148.5                         | 1,018                       | 1,989                     |
|       | 11.... | 180.5                     | 260.9                    | 149.8                         | 1,015                       | 1,964                     |
|       | 18.... | 183.3                     | 269.9                    | 152.5                         | 1,039                       | 1,938                     |
|       | 25.... | 181.9                     | 272.9                    | 150.0                         | 1,023                       | 1,999                     |
| Sept. | 1....  | 182.9                     | 248.0                    | 149.3                         | 1,057                       | 1,941                     |
|       | 8....  | 183.6                     | 245.1                    | 149.5                         | 1,064                       | 1,924                     |
|       | 15.... | 182.6                     | 263.6                    | 149.1                         | 1,080                       | 1,906                     |
|       | 22.... | 187.0                     | 285.0                    | 150.1                         | 1,093                       | 1,919                     |
|       | 29.... | 189.9                     | 264.5                    | 147.3                         | 1,106                       | 2,001                     |
| Oct.  | 6....  | 188.0                     | 244.5                    | 143.9                         | 1,095                       | 2,041                     |
|       | 13.... | 187.0                     | 235.9                    | 138.9                         | 1,092                       | 2,057                     |
|       | 20.... | 186.6                     | 222.6                    | 134.8                         | 1,094                       | 2,009                     |
|       | 27.... | 186.0                     | 231.5                    | 131.5                         | 1,149                       | 2,028                     |
| Nov.  | 2....  | 188.9                     | 256.0                    | 139.9                         | 1,183                       | 2,050                     |
|       | 10.... | 187.0                     | 240.5                    | 136.5                         | 1,181                       | 2,038                     |
|       | 17.... | 195.9                     | 251.5                    | 137.9                         | 1,249                       | 2,007                     |
|       | 24.... | 195.9                     | 268.0                    | 138.0                         | 1,251                       | 2,028                     |
| Dec.  | 1....  | 193.3                     | 261.4                    | 137.5                         | 1,232                       | 2,007                     |
|       | 8....  | 187.0                     | 253.9                    | 135.8                         | 1,149                       | 2,012                     |
|       | 15.... | 187.6                     | 253.1                    | 137.8                         | 1,135                       | 2,005                     |
| June  | 22.... | 183.1                     | 249.9                    | 134.0                         | 1,117                       | 2,037                     |
|       | 28.... | 185.2                     | 251.0                    | 133.6                         | 1,132                       | 2,037                     |
| Jan.  | 4....  | 187.3                     | 251.9                    | 133.5                         | 1,125                       | 2,037                     |
|       | 12.... | 184.9                     | 235.9                    | 129.2                         | 1,122                       | 1,993                     |
|       | 17.... | 184.5                     | 229.9                    | 130.9                         | 1,137                       | 2,004                     |



# Labor

## Ishibashi Cabinet & Full Employment:—

The problem of full employment has long been one of the campaign promises of every cabinet after the war, but the eager jobseekers have almost invariably disappointed in the "hard facts of life" which are supposed to have prevented those promises to come true. With the formation of the Ishibashi Cabinet, however, hopes are now afloat that this time everything would be a little different—and different for the better.

Economist-Premier Ishibashi, who holds men to be a sort of profit-making machines, is much less concerned with the problem of too much labor as the ways how to take advantage of it.

The Premier, at his assumption of party reins, had ordered the Economic Planning Board to make full survey of the actual labor situation in his first step to fulfil his promises. The results have recently been made public. The highlights of the reports are:

1) Although there are tremendous number of submerged unemployment throughout the country, those wishing new jobs in earnest number around 2,200,000. The rest, calculated at from 6 million to 10 million, are on the farm and can not get out of there in spite of insufficient jobs in some seasons of the year.

2) The natural increase of population will curve down for some time from now due to the popularization of contraceptive methods, but the work force will continue to grow for some more years by the rate of 300,000 to 500,000 a year, the peak expected in 1962.

3) In order to absorb these existing and expected unemployed persons in 5 years, jobs have to be provided for 1,110,000 every year. If the goal should be achieved in 10 years, 930,000 jobs will become

necessary; if in 15 years, 780,000 jobs are to be found every year.

4) National production should accordingly be increased by 12.5% in the case of 5 year plan, 8.5% in 10 year plan, and 61.5% in the case of 15 year plan. According to the 10 year plan, the total national production in 1965 will be 2.26 times that of 1955.

5) To achieve the 5 year plan, 46.9% of the national production has to be plowed back in investments, while 31.9% and 24.4% respectively should be plowed back in cases of the 10 year and 15 year plans. At the present rate of 26% plowback in investments, the 10 year plan to full employment seems to be all that can be expected.

**New Labor Minister's Principles:—**New Labor Minister Matsuura has been studying the 1957 labor policies with the co-operation of the Liberal-Democratic Party's political research board. Highlights of his policies include:

1) Full Employment Policies. a) Establishment of the interested cabinet members' council to deliberate overall labor policies; b) effective use of emergency counter-unemployment measures in the "employment vacuum" areas caused by the total pull-out of the Security Forces or by the abandoned mines; c) expansion of the existing unemployment relief measures.

2) Protection & Welfare of the Workers. a) Establishment of Workers' Accidents Insurance Institutions Public Cooperation to coordinate the works between various accidents insurance institutions. b) expansion of public vocational training centers to give greater helping hand to women and minor workers. c) establishment of technician training center to cater to the primary industries—especially those in medium and small business category.

3) Wage Policy. a) expansion and improvement of the monthly survey of the various facts about labor to keep abreast of the newest developments on the labor scene; b) perfect compilation of basic materials on the various wage policies followed in the key industries including those in the minor business category; c) gradual, not immediate, introduction of minimum wage system, first in the now prosperous export industries and gradually pushing the system in all other industries.

4) Improvement of the Relations between Labor and Management. The Ministry will try at every chance to take measures to foster the better relations between the management and the labor.

**Wage Hike for Government Workers and Day Laborers:—**All through the year end of 1956, government workers demanded to get an average ¥2,000 pay hike. But the impossibility of passing the revised budget within the year forced the ever militant government workers to bide the time.

But at the start of 1957, new Finance Minister Ikeda promised that he would consider the July, 1956 pay boost recommendation made by the National Personnel Commission (5-6% pay raise, about ¥1,000). The final figure is still unknown but it will be around ¥700.

As for the day laborers, the Ministry is considering a certain amount of raise, as there has been no raise whatsoever in this field.

**Bigger Year End Bonus:—**Year end struggles for allowances in 1956 were unusually quiet, with management, lenient with prosperity, meeting the labor's demand almost in toto. The accompanying chart shows the details about the various cases of year end bonuses.

## YEAR END BONUSES

| Names of Unions            | Demands                 | Agreed Amounts           | Last Year's Agreed Amounts |
|----------------------------|-------------------------|--------------------------|----------------------------|
| Government Workers .....   | 2 months                | 1.65 months              | 1.5 months                 |
| Public Utilities .....     | 2 months                | 1.65 months + α          | 1.5 months-1.5 months + α  |
| Coal Miners .....          | ¥14,500                 | ¥14,450                  | ¥8,300                     |
| Private Railways .....     | ¥34,100-46,900          | ¥27,197-33,500           | ¥27,715-33,840             |
| Iron & Steel Workers ..... | ¥35,000-37,000*         | ¥30,357-42,000*          | ¥22,646-31,000             |
| Synthetic Chemical .....   | ¥20,000-86,200          | ¥12,500-57,210           | ¥5,000-54,282              |
| Metal Industries .....     | ¥25,000-61,000          | ¥17,000-61,000           | ¥7,000-30,000              |
| Mining .....               | ¥35,000                 | ¥25,000-27,000           | ¥15,732-19,500             |
| Transportation .....       | 2.5 months              | 1.5 month + ¥1,500       | 1.5 months                 |
| Paper & Pulp .....         | ¥35,556-70,948          | ¥29,103-61,500           | ¥18,650-57,343             |
| Newspaper .....            | ¥24,546*-¥71,500        | ¥22,941*-70,500          | ¥20,353*-71,500            |
| Electric Industries .....  | ¥35,396-52,930          | ¥33,500-38,000           | ¥26,000-¥33,500            |
| Seamen's Unions .....      | 2.5 months-3 months     | 2.45 months-2.75 months  | 1.9 months-1.95 months     |
| Cotton Spinning .....      | 2 months                | 1.81 months              | 10.5 months-1.2 months     |
| Chemical Fibres .....      | 2.05 months-3.43 months | 1.702 months-3.01 months | 1.13 months-1.825 months   |
| Woolen Spinning .....      | 2.2 months-2.5 months   | 1.5 months-2.03 months   | 0.949 months-1.84 months   |
| Printers' Unions .....     | ¥26,053-28,000          | ¥24,300-33,990           | ¥21,000-23,361             |
| Automobile Workers .....   | ¥28,184-41,000          | ¥35,287-38,000 + α       | ¥21,829*-23,995*           |
| Cement Workers .....       | ¥44,500-61,000          | ¥41,100-61,000           | ¥40,000-61,000             |
| Electric Machinery .....   | ¥19,288-39,750          | ¥17,928-37,567           | ¥13,059-27,630             |
| Electric Wires .....       | ¥32,000-47,500          | ¥34,034-45,700           | ¥16,000-29,600             |
| Shipbuilding .....         | ¥38,000-48,000          | ¥33,500-40,000           | ¥23,500-28,000             |
| Oil .....                  | ¥48,000-50,000          | ¥46,000-48,000           | ¥47,000-48,000             |
| Bank Workers .....         | 0.85 months-0.75 months | 0.85 months-0.75 months  |                            |
| Life Insurance .....       | 2.5 months*-2.7 months* | 2.25 months-2.55 months  | 2.25 months-2.55 months    |
| Department Store .....     | 1 month-4 months        | 1 month-3.6 months       | ¥15,600-52,492             |
| Rolling Stock .....        | ¥24,300-25,000          | ¥22,000                  | ¥14,500-17,000             |

Source: Ministry of Labor.

Notes: \* indicates take home pay. α means special allowance.



## Foreign Trade

### 1956 Trade

Exports in December amounted to \$273 million, imports \$318 million, both being a postwar high (reported by the Customs Division, Finance Ministry). The cumulative figures during 1956 are: \$2,501 million of exports and \$3,203 million of imports, whose excess over the former amounting to \$729 million. (Note, however, that the exports are valued at F.O.B., while the imports at C.I.F.). Compared with 1955, exports increased by \$490 million (24.4%), imports by \$758 million (30.7%), and the imports excess over exports by \$268 million. Compared with 1954, exports are 53.5% higher and imports 34.6% higher.

#### 1. 1956 & 1955 TRADE (In \$1,000,000)

| Monthly Average | Exports |      | Imports |      |
|-----------------|---------|------|---------|------|
|                 | 1955    | 1956 | 1955    | 1956 |
| Jan.-Mar. ....  | 144     | 186  | 192     | 231  |
| Apr.-June ....  | 153     | 200  | 215     | 269  |
| July-Sept. .... | 171     | 206  | 197     | 275  |
| Oct.-Dec. ....  | 202     | 241  | 220     | 302  |

A comparison between the figures for the dollar, pound, and open account settlement areas shows that the increases in exports were marked in the dollar and pound areas. The exports increases to the dollar area occurred mainly in ships and other machinery, textiles, metals and products thereof, while to the pound area they were mainly registered in the textile, machinery, and food and drinks groups. The total amount of increases to the open account area was paltry because exports of metals and products thereof declined sharply. Of the imports in 1956, those from the pound area most markedly increased, followed by the dollar area. The increases in the imports from the pound and dollar areas were mainly found in the textile material, metal ore & scrap metal, food & drink, and mineral fuel groups; while decreases in the imports from the dollar area took place in foods & drinks. The percentages of each area in the exports are: the dollar area 43.5 (40.6 in 1955); the pound area 33.5 (32.3); the open account area 23.0 (27.1). Those in

the exports are: the dollar area 50.8 (53.9); the pound area 30.7 (24.3); the open account area 18.5 (21.8). Compared with the previous year, 1956 saw an increase in weight in both imports and exports with the pound area, and the decline with the open account area.

Table 2 shows a comparison between various geographical areas during Jan.-Nov., 1956 and the same period in 1955. Except for Australia, Oceania and South America, each area shows an increase in exports, especially great are increases to Asia, Africa and North America, which altogether occupy 96% of the total increase. By country, the increase in ship exports to Liberia is most marked. Other countries to which exports notably increased are: the United States, Hong Kong, China, Indochina, Canada and Korea. Japan's imports from each great geographical division increased, especially from North America, which gave 52% of the total increase. By country, the increases in imports were great from the United States, Australia, Mexico, Saudi Arabia, Cuba, Canada and India in the order named. On the other hand, imports from Thailand and Formosa declined from 1955.

### Brisk Exports of Ships

A comparison between exports by commodity group shows that, except for metals and products thereof, each group greatly increased, especially machinery, non-metal mineral products, foods, drinks and textiles. The increased exports of 1956 were supported by brisk trade in machinery, while those of 1954 were boosted by textiles, and of 1955 by metals and products thereof. Of individual commodity, ships increased more than any of the rest (3.3 fold of the previous year), followed by cement (68.6%), fish 59.5%, spun rayon fabrics 48.5%, rayon fabrics 44.9%, silk fabrics 42.4%, textile machinery 38.1%, toys 30.3%. The ranking of commodities in exports in 1956 became thus: the first, cotton fabrics (second in 1955); the sec-

#### 2. TRADE BY GEOGRAPHICAL DIVISION (In \$1,000,000; Jan.-Nov.)

|                         | Exports |       |                        | Imports |       |                        |
|-------------------------|---------|-------|------------------------|---------|-------|------------------------|
|                         | 1955    | 1956  | Increase or decrease % | 1955    | 1956  | Increase or decrease % |
| Asia .....              | 733     | 908   | 23.9                   | 820     | 955   | 16.5                   |
| Europe .....            | 181     | 218   | 20.4                   | 158     | 212   | 34.2                   |
| North America .....     | 471     | 588   | 24.8                   | 928     | 1,274 | 37.3                   |
| South America .....     | 128     | 124   | (-) 3.1                | 98      | 117   | 19.4                   |
| Africa .....            | 180     | 339   | 88.3                   | 55      | 94    | 70.9                   |
| Australia-Oceania ..... | 67      | 47    | (-)29.9                | 182     | 259   | 42.3                   |
| Others .....            | 2       | 5     | 150.0                  | 0       | 0     | —                      |
| Total .....             | 1,762   | 2,229 | 26.5                   | 2,241   | 2,911 | 29.9                   |

Source for Table 1, 2: Finance Ministry.

### 3. 1956 EXPORTS (In \$1,000,000)

| Articles & Unit                                  | Volume | Value   | Compared with 1955 (%) |       |
|--|--------|---------|------------------------|-------|
|  |        |         | Volume                 | Value |
| Food-drinks....                                  | —      | 179.9   | —                      | 132.2 |
| 6. Fish (1,000 tons) .....                       | 196    | 120.6   | 126.6                  | 159.5 |
| Textiles .....                                   | —      | 871.1   | —                      | 116.2 |
| 1. Cotton fabrics (1,000,000 sq. yds.) .....     | 1,262  | 266.6   | 110.8                  | 116.0 |
| 7. Rayon fabrics (1,000,000 sq. yds.) .....      | 438    | 87.9    | 127.9                  | 144.9 |
| 5. Spun rayon fabrics (1,000,000 sq. yds.) ..... | 695    | 122.3   | 133.3                  | 148.5 |
| 4. Garments ..                                   | —      | 122.7   | —                      | 115.1 |
| Pharmaceuticals-chemicals....                    | —      | 106.7   | —                      | 113.8 |
| Non-metal products.....                          | —      | 114.5   | —                      | 134.6 |
| Metal & products                                 | —      | 340.0   | —                      | 88.1  |
| 3. Iron & steel (1,000 tons) ..                  | 1,297  | 223.6   | 65.2                   | 86.2  |
| 10. Non-ferrous metals (1,000 tons) .....        | 42     | 50.0    | 54.4                   | 76.0  |
| Machinery ....                                   | —      | 483.0   | —                      | 195.7 |
| 2. Ships (no. of ships) .....                    | 786    | 263.0   | 225.9                  | 332.5 |
| Others .....                                     | —      | 405.7   | —                      | 129.4 |
| 9. Toys (1,000 tons) .....                       | 61     | 55.4    | 128.9                  | 130.3 |
| Total (include others not listed above) ..       | —      | 2,501.0 | —                      | 124.4 |

Source: Finance Ministry.

ond, ships (fifth); the third iron and steel (first).

Import increases centred on raw materials for mining-manufacturing industries: metal ores and scraps, pharmaceuticals and chemicals, mineral fuels, non-metal minerals, textile materials in the order named. Per contra, foods and drinks sharply declined. By commodity, imports increased greatly in scrap iron (2.9 fold) non-ferrous metal ores (2.3 fold), iron ore 79.8%, rayon pulp 63.5%, coal 61.0%, petroleum 37.6%, hides 36.5%, salt 36.4%, potassic fertilizer 35.9%, wool 34.7%, lumber 31.2%, cotton 25.2%.

### Export Prices Rise

Export prices which hardly changed throughout 1955 turned upward since January 1956, slightly rising each month and making 4.1% increase in November over the previous year. A comparison between the monthly averages of the Jan.-Nov. periods of the two years shows that 1956 was 3.1% above 1955. Especially marked was the rise in price of metals and products thereof, the monthly average of the Jan.-Nov. period in 1956 being 19.0% higher than the previous year. This is reflected in the sharp contrast between the severe decline in volume (25.4% down) and the trifle decrease in



#### 4. 1956 IMPORTS (In \$1,000,000)

| Articles & Unit                                  | Volume | Value   | Comparison with 1955 (%) |       |
|--|--------|---------|--------------------------|-------|
|  |        |         | Volume                   | Value |
| Food-drinks....                                  | —      | 558.3   | —                        | 89.3  |
| 8. Rice (1,000 tons) .....                       | 770    | 109.4   | 61.8                     | 55.6  |
| 5. Wheat (1,000 tons) .....                      | 2,267  | 164.7   | 99.1                     | 98.4  |
| 7. Sugar (1,000 tons) .....                      | 1,192  | 127.2   | 111.4                    | 109.8 |
| Textile materials                                | —      | 798.4   | —                        | 132.7 |
| 3. Wool (1,000,000 lbs.)                         | 252    | 221.4   | 161.7                    | 163.5 |
| 1. Cotton (1,000,000 lbs.)                       | 1,456  | 479.9   | 137.3                    | 125.2 |
| Metal ores & scraps .....                        | —      | 456.6   | —                        | 245.8 |
| 6. Iron ore (1,000 tons) ..                      | 7,938  | 146.6   | 145.4                    | 179.8 |
| 4. Scrap iron (1,000 tons) ..                    | 2,583  | 123.4   | 230.7                    | 237.7 |
| Non-metal minerals ....                          | —      | 95.7    | —                        | 135.8 |
| Mineral fuels ..                                 | —      | 412.4   | —                        | 142.7 |
| 9. Coal (1,000 tons) .....                       | 3,814  | 90.5    | 123.3                    | 161.0 |
| 2. Petroleum (1,000 tons) ..                     | 1,510  | 312.8   | 124.3                    | 137.6 |
| Other materials                                  | —      | 359.7   | —                        | 107.2 |
| 10. Soy beans (1,000 tons) ..                    | 709    | 73.5    | 122.1                    | 110.9 |
| Pharmaceuticals-chemicals .....                  | —      | 163.3   | —                        | 145.2 |
| Machinery .....                                  | —      | 161.1   | —                        | 121.7 |
| Others .....                                     | —      | 224.0   | —                        | 188.1 |
| Total (incl. of other items not listed above) .. | —      | 3,229.6 | —                        | 130.7 |

Note: Numbers indicate ranking.  
Source: Finance Ministry.

value (10% down) of exports of metals and products thereof during the same period from the like period of the previous year. The 1956 index for the total volume of exports rose 16.5% over the previous year, which does not amount much when compared with the increase in value, but signifies 52% increase over the monthly average of 1954.

On the other hand, imports did not rise in price as much as exports during the Jan.-Nov. period in 1956 over the corresponding period in 1955, the increase being only 1.2%. However, some commodities showed considerable increases: minerals and metals 21.9%; mineral fuels 17.4%. These two groups of commodities increased also in volume 76.6% and 24.0% respectively, leading to great increase in value. Per contra, imports of textile materials declined in price 10.3%, therefore, despite the great increase in volume (39.9%), they rose only meagerly in value. Foods and drinks declined both in volume (7.5% down) and in value (4.0% down). The total index for volume rose 25.3% above the previous year.

#### Favorable Balance of \$293 m.

Let us now see how these changes have been reflected on the balance of exchange. The total foreign exchange income during 1956 was \$3,225 million and the payment \$2,932 million, balancing favorably at \$293 million which was a decrease of \$200 mil-

lion from 1955 (the Bank of Japan report). This is mainly due to the increases in the payments for imports. Foreign exchange income from exports during 1956 totalled \$2,402 million, 23% above the previous year, but the increase over that year has been trifling since the summer of that year. However, imports increased each month supported by the production boom at home, totaling \$2,470 million. Consequently, the balance of trade exchange turned unfavorable since the beginning of the second half of the year. Especially increases in imports in pound were so great that the balance of the pound account of 1956 turned red at \$108 million from the favorable \$119 million of 1955. In the balance of invisible trade, it is noteworthy that special procurement income during 1956 totalled \$595 million, an increase of \$39 million over 1955. This increase is chiefly due to increases in purchases with the ICA funds. It is also to be noted that the rise in shipping rates had a great impact on both income and payment, especially the 1956 payment for shipping charges doubled that of 1955 from \$119 million to \$206 million.

Along with the forming of fiscal 1957 budget allocations, the Government is now examining the National Economic Plan prepared by the Economic Planning Board. According to this plan, exports during fiscal 1957 will increase, centering on products of the heavy chemical industry and totaling \$2,800 million, 13% over fiscal 1956. The special procurement income whose main source is ICA purchases will amount to \$600 million. The combined total income of foreign exchange in fiscal 1957 thus becomes \$3,680 million. Im-

ports also will get to \$3,200 million to furnish enough materials to the active industries. Thus the total payment in foreign exchange will be \$3,730 million. The consequent estimate of balance, therefore, is unfavorable at \$50 million (the formal balance including the increases in deferred payment barely keeping both ends meet).

#### Restrictions on Cotton Goods

Japan will take the following restrictive measures on her cotton goods to be exported to the United States from 1957 which were decided and informed to the United States Government by the joint committee of the Japanese Government and the industry and traders.

(1) The upper limit of all cotton goods to be shipped to the United States is 235 million sq. yds. (113 million sq. yds. of cotton fabrics and 122 million sq. yds. of secondary products).

(2) Of the cotton fabrics, velveteen and gingham goods are to be limited to 2.5 million sq. yds. respectively (for 1957 and 58) and high-class cotton fabrics to be 26 million sq. yds.

(3) Of the secondary products, new limited goals are set to pillow-cases, handkerchiefs, brassieres, T-shirts, etc. in addition to blouses, sports-shirts, shorts, damask table cloths which have already been subjected to limitation.

These restrictions are far severer than those for 1956, especially the upper limits for velveteen and gingham goods became half the 1956 limits. In addition, the upper limit of 26 million sq. yds. to high-class cotton fabrics newly imposed will further hamper Japan's cotton goods exports.

#### 5. 1956 FOREIGN EXCHANGE ACCOUNTS (In \$1,000,000)

|                           | Total         | Dollar        | Pound       | Open Account |
|---------------------------|---------------|---------------|-------------|--------------|
| Receipts .....            | 3,225 (2,668) | 1,853 (1,416) | 980 (764)   | 392 (488)    |
| Exports .....             | 2,402 (1,954) | 1,100 (759)   | 928 (729)   | 374 (466)    |
| Invisible trade .....     | 823 (714)     | 753 (657)     | 52 (35)     | 18 (22)      |
| Special procurement ..... | 595 (557)     | 591 (545)     | 4 (12)      | —            |
| Payments .....            | 2,932 (2,174) | 1,429 (1,056) | 1,088 (845) | 415 (473)    |
| Imports .....             | 2,470 (1,848) | 1,181 (872)   | 906 (533)   | 383 (443)    |
| Invisible trade .....     | 462 (326)     | 248 (184)     | 182 (112)   | 32 (30)      |
| Balance .....             | 293 (494)     | 424 (360)     | 108 (119)   | 23 (15)      |
| Commodity trade .....     | 68 (106)      | 81 (113)      | 22 (196)    | 9 (23)       |
| Invisible trade .....     | 361 (388)     | 505 (473)     | 130 (77)    | 14 (8)       |
| *Deferred payments .....  | 156 (140)     | 97 (49)       | 61 (89)     | 2 (2)        |
| Net balance .....         | 137 (354)     | 327 (311)     | 169 (30)    | 21 (13)      |

Parenthesized figures are for 1955.

Note: \* Tentative figures of increase or decrease in the outstanding; through usance, etc.  
Source: Bank of Japan.      Δ Adverse.

#### 6. BALANCE OF PAYMENTS (In \$1,000,000)

|                             | 1955    | 1956   | 1957   | A     | B     |
|-----------------------------|---------|--------|--------|-------|-------|
| Income .....                | 2,839   | 3,330  | 3,680  | 117.3 | 110.5 |
| Exports .....               | 2,095   | 2,480  | 2,800  | 118.4 | 112.9 |
| Special procurement .....   | 569     | 610    | 600    | 107.2 | 98.4  |
| Other invisible trade ..... | 175     | 240    | 280    | 137.2 | 116.7 |
| Outlay .....                | 2,513   | 3,410  | 3,730  | 135.7 | 109.4 |
| Imports .....               | 2,165   | 2,910  | 3,200  | 134.4 | 110.0 |
| Invisible trade .....       | 348     | 500    | 530    | 143.7 | 106.0 |
| Balance (real) .....        | (+) 326 | (-) 80 | (-) 50 | —     | —     |
| Balance (formal) .....      | (+) 358 | (+) 60 | 0      | —     | —     |

Note: A: % of 1956 against 1955. B: % of 1957 against 1956. 1956 and 1957 are estimates  
Source: Economic Planning Board.



## Investment Outlook

### Coal Stocks

**In Limelight Again:**—After a few years of dullness, coal has come into the limelight again with production rising and prices up. The annual production in fiscal 1956 (ended March, 1957) is estimated to total some 48,000,000 tons, well ahead of the original target of 46,300,000 tons and some 13% larger than the fiscal 1955 output of 42,520,000 tons. The estimated output for the current fiscal year is also a gain of some 3% over the past postwar peak of 46,500,000 tons in fiscal 1951. On the other hand, coal inventories have not gained much as demand has sharply increased to more than counterbalance the production hike. In the latest report made by the Energy Panel of the Industrial Rationalization Council on the estimated supply-demand of major energies 20 years later, the production of coal in this country is estimated to jump 54% over the fiscal 1955 output to 65,000,000 tons, and experts opine that this goal may easily be attained in view of rich coal resources available in this country. The only trouble in the way of the production boost plan will be financial in nature, as many of major coal mining companies are still suffering from the impact of loans they had to obtain in time of depression. For instance, the ratio of net worth of 18 leading coal mining companies in the total amount of capital spent in the second half of fiscal 1955 (October, 1955 to March, 1956) stood at 36% including only 7.1% paid-in capital. This compared poorly with the average ratio of net worth and the ratio of paid-in capital for all industries at about 40.0% and 10.7%, respectively, and also stood far behind the ratio of net worth of eight leading coal mining companies before the war (the 1934-36 average) at 77.0%. It may thus be noted that coal is one of

the Japanese industries with the replenishment of net worth markedly slow, thus promising the greater possibility of early capital expansion. This possibility also holds true in view of the large earnings of major coal mining firms. As shown in Table 1, capital of coal firms even after the recent capital increases is excessively small.

#### 1. EXPENSE ITEMS OF ANNUAL COAL PRODUCTION (In yen per ton)

| Companies        | Capital | Loans | Depreciation |
|------------------|---------|-------|--------------|
| Mitsui .....     | 194     | 2,200 | 286          |
| Mitsubishi ..... | 578     | 985   | 348          |
| Hokkaido .....   | 562     | 2,445 | 334          |
| Sumitomo .....   | 651     | 3,030 | 315          |
| Meiji .....      | 723     | 2,155 | 363          |
| Kaijima .....    | 448     | 2,555 | 432          |
| Nippon .....     | 237     | 1,945 | 495          |
| Yubetsu .....    | 495     | 1,120 | 303          |
| Taiheiyo .....   | 462     | 575   | 339          |

Notes: Figures based on the term ended September, 1956; Capital after latest expansions. Loans inclusive of long- and short term loans and debentures.

Source: Compiled by *The Oriental Economist*.

Taking Meiji Mining (in table 1) whose capital burden per ton for annual production is comparatively large, for instance, the per-ton capital burden amounts to only ¥723 (that is, the Company may earn about ¥200 per ton in order to give a 10% dividend per annum. To make the position of coal firms better, they are legally restricted not to give more than 15% dividend under the provisions of the Capital Replenishment Law.

**Rising Profits:**—As shown in Table 2, the real profits of coal mining companies have been swelling, reaching ¥400-600 per ton for the term ended September, 1956. For the term under review, the large part of such profits was earmarked for settlements of outstanding accounts such as deferred payments of retirement allowances

#### 2. PROFITS OF MAJOR COAL COMPANIES (In million yen)

| Companies     | Declared profits | Non-legal reserves for retirement allowances | Surplus depreciation | Payments for outstanding retirement allowances | Fixed assets abandoned | Other | Total | Per-ton profit (yen) |
|---------------|------------------|--|----------------------|--|------------------------|-------|-------|----------------------|
| Mitsui .....  | 511              | —  | —                    | —  | —                      | —     | 511   | 160                  |
| Mitsubishi .. | 589              | —  | —                    | 552  | —                      | 138   | 1,279 | 585                  |
| Hokkaido ..   | 181              | —  | 464                  | 100  | 275                    | —     | 1,020 | 530                  |
| Sumitomo ..   | 59               | —  | —                    | 80   | —                      | 170   | 809   | 288                  |
| Meiji .....   | 116              | 110  | 50                   | 96   | —                      | 10    | 382   | 463                  |
| Kaijima ....  | 69               | —  | 73                   | —  | —                      | —     | 142   | 213                  |
| Nippon ....   | 53               | —  | 150                  | —  | —                      | —     | 203   | 330                  |
| Yubetsu ....  | 104              | 102  | 7                    | —  | 50                     | 2     | 265   | 511                  |
| Taiheiyo .... | 138              | 104  | 12                   | —  | —                      | —     | 254   | 645                  |

Notes: The term ended June, 1956 for Sumitomo; the term ended September, 1956 for all other firms.

Source: Compiled by *The Oriental Economist*.

or insufficient depreciation or for liquidation of fixed assets. As such outstanding accounts have been well nigh settled by the last term, they will find it difficult to try to purposely "squeeze" profits from the current term ended March, 1957. Under the circumstances, it is very likely that they will be compelled to boost the dividend rate from the current 12% to 15% and will at the same time undertake capital expansion. It is thus well imaginable that the majority of leading coal mining companies will announce capital expansion plans during 1957. The Suez Canal crisis has already proved a big stimulant to the Japanese coal business, and the latest price agreement with steel manufacturers will also prove a big plus to the profit situation. Under this agreement, the price of coal to be delivered to steel manufacturers was boosted by ¥200 for the first half of fiscal 1956 and by ¥300 for the second half. A similar price agreement with Kyushu Electric Power Company also promises the price boost of high-grade coal sold to that firm by ¥100 for the first half and by ¥250 for the second half and that of low-grade coal by ¥150 and ¥400, respectively. With the profit situation thus markedly brightened, there is no doubt that coal mining firms will begin to embark upon production expansion plans one after another.

**Mitsui Mining:**—As shown in Table 1, Mitsui Mining Co., Ltd. has the strongest possibility of early capital expansion. This merit, together with the largest production in this country (3,200,000 tons for a half-year term), has served to boost the price of its share to ¥150. Financially, however, Mitsui Mining's profit situation has not been so favorable as that of other companies. For the term ended September, 1956, this company registered a declared profit of ¥511,000,000, but had to defer the settlement of the outstanding payment of retirement allowances reaching about ¥900,000,000. Hence, it still stood in the red to the amount of nearly ¥400,000,000 for the term. Moreover, unsettled depreciation amounting to ¥350,000,000, outstanding since March, 1956 was brought forward untouched to the current term ended March, 1957. It also managed to settle half of its ¥1,000,000,000 deficit with the reappraisal reserve (it reappraised securities in hand) and declared profits. It is likely that the Company in this connection will try to settle insufficient depreciation and half of deferred retirement allowance payments with the profits due



for the term ended March, 1957 to leave enough for reviving a 12% dividend (¥200,000,000-300,000,000). The capital expansion by Mitsui Mining will then follow. With Mitsubishi Mining expected to boost capital to ¥2,700,000,000, Mitsui Mining will undoubtedly plan a larger capital increase (to about ¥3,000,000,000) with 30-40% through share dividends. As noted in Tables 1 and 2, the per ton depreciation and profit of Mitsui Mining are comparatively smaller as compared with other firms, but the prospects are not particularly discouraging as the continuance of the coal boom for the coming few terms will certainly enable it to settle all outstanding accounts and the early settlement of the labor-management discord will bring its huge production capacity into full play.

**Mitsubishi & Hokkaido:**—Mitsubishi Mining and Hokkaido Colliery & Steamship are well-matched rivals in capital expansion potentials and profitability. The only differences are that higher-priced caking coal accounts for the greater ratio in Hokkaido's production and that Hokkaido has the heavier burden of debts resulting from positive expansion plans in time of depression. Such handicaps, however, are not particular dampers at time when the production boost of coal is urgently wanted. So far, the price of Hokkaido's share has always been higher than that of Mitsubishi's. Hokkaido has been extremely active in recent years by concluding long-term supply contracts with Tokyo Gas and Fuji Iron & Steel and embarking upon coal chemical undertakings. Mitsubishi Mining, on its part, is getting ready to start positive production expansion schemes in a five-year plan costing some ¥6,000,000,000 principally for the purpose of boosting the output of caking coal. In the soundness of assets, Mitsubishi eclipses Hokkaido, but the latter is superior to the former in the tempo of business expansion. All in all, there appears little difference between the two companies in the future prospects.

**Sumitomo & Meiji:**—Sumitomo Coal Mining and Meiji Mining also stand on equal footing in their readiness to increase capital. Sumitomo stands under the impact of heavy debts because of positive rationalization operations undertaken in time of depression. Such operations have begun to bear fruit as its coal mining efficiency has been exceptionally high (perhaps next only to Taiheiyo Coal Mining which tops the list of 10 leading coal mining firms in efficiency). Meiji Mining boasts of high profitability, as it carried out the most drastic dismissal of supernumeraries in the summer of 1953 by cutting its personnel by one-third. In the amount of real profits garnered for the term ended September,

1956, it eclipsed Sumitomo Coal Mining (for the term ended June, 1956). Although Meiji's share has been priced at a point lower than Sumitomo's, a special dividend or a share dividend, likely to be given during 1957, may come as a new accelerator.

**Kaijima Coal Mining:**—This company is another promising firm, although it is suffering from heavy debts and under-depreciation. Its merit of the predominance of caking coal in its production (more than 60%) and the recent resumption of rationalization operations will soon enable it to report better profits. For the term ended September, 1956, it still had unsettled depreciation to the amount of ¥135,000,000, although it allotted ¥73,000,000 in excess of legal requirements for depreciation for the term.

**Nippon Coal Mining:**—This company has not as yet undertaken any full-fledged capital expansion schemes, except a small increase made in September, 1956 through a 0.15% share dividend. This policy of non-dividend and non-capital expansion is expected to continue until the completion of galleries at its Futajima collieries in the spring of 1958. Upon the completion of the galleries now under construction, the coal mining cost will be reduced by about ¥600 per ton. With the coal production after the completion of the said galleries estimated at 1,000,000 tons for each semi-annual term and the per-ton profit at ¥300, the half-year term profit will come to aggregate ¥300,000,000. The profit rate thus stands at 100% against the present capital of ¥600,000,000, enough to give a 15% dividend with ease.

**Yubetsu and Taiheiyo:**—Yubetsu Colliery & Railroad and Taiheiyo Coal Mining are smaller in scale but highly dependable. The two firms are operating on the same coal field at Kushiro, Hokkaido. The Kushiro colliery, through which Taiheiyo is exclusively operating, is reputed as the best in Japan, thoroughly mechanized and advantageously located. Yubetsu Colliery & Railroad operates three collieries, at Yubetsu, Shakubetsu and Mojiri. Of the three, the first-named is noted for high efficiency and high yield, but Shakubetsu colliery is the weak spot. Yubetsu, however, engages in multilateral management, operating a rolling-stock mill, pastures and forests, and the capital expansion possibilities depend on these "sidelines" as on coal business.

Taiheiyo Coal Mining may increase capital at a comparatively early date, as it stands in need of a fresh supply of funds to finance the planned purchase of an ultra-modern continuous miner (costing about ¥130,000,000) during 1957.

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## Book Review

**The Social Division of Welfare** by R.M. Titmuss.  
*Liverpool University Press, 1956. 23pp. 2/6.*

This is one of the lectures in commemoration of the late Miss Eleanor Rathbone (1872-1946) who, as Prof. Titmuss describes, led the campaign for family allowances to alleviate the growth of economic dependency among wives and children caused by a wage system which rewarded individual labor power and personal merit, an important factor weakening the cohesive functions of the family as a social unit.

Prof. Titmuss tells us how the interpretation of the introduction of family allowances as a process of unilinear progression in collective benevolence for the working classes led to the uncritical view that "The Welfare State" was "established" in 1948, and how irrelevant and unbalanced much of the criticism and all complacency about "The Welfare State" are. He broadly divides all collective interventions to meet certain needs of the individual and/or to serve the wider interests of society into three major categories: social, fiscal and occupational welfare. This division is based on an organisational division of method related to the division of labor in complex, individuated societies. He shows that what goes on within and a result of one system is ignored by the others, and that the new division of equity arising from these separate responses to social change is the real challenge to social policy. (M.T.)

**Tray Landscapes (Tourist Library Vol. 19)**

by Soen Yanagisawa.

*Japan Travel Bureau, Tokyo. 1956.*

193pp. ¥600 in Japan, \$3.25 outside Japan.

A very practical handbook for anyone who wishes to try one's hand at the delicately developed art of portraying a scenic beauty in three dimensions on a tray with earth and tiny plants (*Bonkei*) and with stones, pebbles and sand (*Bonseki*). With 5 photos in color, 154 photos in black and white, and 14 cuts to illustrate the detailed explanations how to make them. Contains also chapters on the classification, history and how to appreciate them. (M.K.)

**Measurement of Responsibility (A Study of Work, Payment, and Individual Capacity)** by Elliot Jaques, M.D., Ph. D.  
*Tavistock Publications, Ltd., London. 1956. 15/net.*

"If an individual is allowed to exercise judgment in performing the task which are required in his job, he should be paid in accordance with the amount of discretion he is allowed to exercise." In a nutshell this is the hypothesis under study. Dr. Jaques has been engaged in the analysis of the Glacier Metal Company's social structure since 1948 as part of a study sponsored by the British Government and, more recently, by the Company itself. As an 'observing' member of the Staff and Works Committees set up in the Company he has worked at a vantage point to fulfill his role.

The various Staff and Works Committee were established to deal with any and all problems which concerned the Company ranging from social and welfare problems to methods of payment of employees production problems. In the Staff Committee the problem concerning relative salaries of Staff Officers came to the fore. The problem was brought to light because it was felt among some of the members that inequities had arisen in pay and that disputes were resulting. The object was to determine whether or not an objective way could be found to fix the method of payment and thereby reduce the dependence upon personal merits and judgments when considering the case of a particular employee when it was felt that his pay should be changed. In other words, was it possible to pay an individual for the job he was performing rather than his personal attributes.

It became generally agreed that an individual was actually paid for the amount of responsibility charged to him and therefore the task became one of determining this responsibility and measuring it. After many hundreds of interviews with the employees it was found that the analyst (as the author is referred to) and the individual employee could arrive at a decision concerning this if they confined themselves to aspects of the particular job which required decisions to be made by the employee and, further, that an estimate could be made of how long a period of time his decisions affected the company. It turned out that these estimates agreed in a large measure with the estimates prepared by a third party independently; the third party usually being the employee's manager or section head. These in turn correlated highly with the salaries which were already being paid to these same employees.

Other points brought out were the applicability of this concept to manual work (which tentatively seemed good); the results of being in too high or too low a level of responsibility for the individual; the effect of age, experience and instruction on the level of responsibility which one is able to handle and the applicability of the concept to fields other than business, such as government work. (J.Y.)

**The Accumulation of Capital** by Joan Robinson.  
*Macmillan & Co., London, 1956. pp. 440. 15s net.*

The author aims to develop further Keynes' theories. Namely the author writes that Keynes' dynamic theory "was framed in terms of a short period in which the stock of capital and the technique of production are given. It left a huge area of long-run problems." Following R.E. Harrod's example, she tries "an extension of Keynes' short-period analysis to long-run development." (pp. v-vi)

The volume consists of: Book I, Introduction; Book II, Accumulation in the Long Run; Book III, The Short Period; Book IV, Finance; Book V, The Rentier; Book VI, Land; Book VII, Relative Prices; and Book VIII, International Trade. The author pays her best attention to Book II, Accumulation in the Long Run. This part makes the central core of the volume and contains the most important propositions in her effort to develop Keynes's theory. Her lucid and terse style would attract the reader, and *Notes on Various Topics* at the end of the volume is a convenient guide to the student. (K.W.)

**The Cost of Living in Hong Kong** by Edward F. Szczepanik.  
pp. 40 with 16 tables. *Hong Kong University Press, 1956.*  
HK \$5.00; 7/6 net in the U.K.; US \$1.20.

Provides a representative pattern of income disbursement. A comparison of U.K. Survey 1953-1954 and the 1955 Hong Kong Survey suggests that the people in Hong Kong spend a higher proportion of their incomes on food than in Great Britain. (Table 5 on page 9). Japan spend not much less than Hong Kong, in 1953 about 50% of total expenditure.

The comparison of some basic items such as rice, pork and vegetable oil, in the food expenditure between Hong Kong and Mainland China shows that the much higher standard of living of industrial workers in Hong Kong seems to draw an inflow of economic immigrants from the vast Mainland, apart from political refugees, into this small island about a fifth the size of the Isle of Wight. (Page 13)

Mr. Szczepanik who has earlier published with Mr. Ma *The National Income of Hong Kong 1947-1950* (which was reviewed in our February, 1956 issue) now added an invaluable contribution to the study of Hong Kong's economy. The fine example of social service rendered by the students and staff of the Economics Department of the University in performing this enquiry into the cost of living in the Colony should be encouragingly followed by Japanese universities. (M.K.)



## 1. Business Indices

| Year & Month                     | Treasury Accounts with the Public (2)<br>(Fiscal year)<br>(In 100 million yen) | Bank of Japan Account (1)<br>(In 100 million yen) |   | Monthly Report of All Banks (1)<br>(In 100 million yen)       |          | Tokyo Stock Prices (3)                       |                                       |                    |
|----------------------------------|--|---|---|---|----------|--|---------------------------------------|--------------------|
|                                  |  | Note issues                                       | Loans   | Deposits  | Advances | Dow Jones Average (yen)                      | Turnovers (In million issues)         | Interest Yield (%) |
| 1947 av. ....                    | (-) 592  | 2,191   | 323   | 2,343   | 1,682    | —  | —                                     | —                  |
| 1948 " .....                     | (-) 213  | 3,552   | 519   | 5,053   | 3,813    | —  | 141.6                                 | —                  |
| 1949 " .....                     | 808  | 3,553   | 886   | 7,920   | 6,790    | 149.95                                       | 255.9                                 | 6.77               |
| 1950 " .....                     | (-) 419  | 4,220   | 1,145   | 10,485  | 9,947    | 101.87                                       | 512.1                                 | 9.53               |
| 1951 " .....                     | 346  | 5,063   | 2,230   | 15,063  | 15,178   | 136.10                                       | 821.3                                 | 11.91              |
| 1952 " .....                     | 24   | 5,764   | 2,232   | 22,238  | 21,280   | 245.67                                       | 2,002.6                               | 9.85               |
| 1953 " .....                     | 951  | 6,298   | 2,987   | 27,076  | 26,712   | 390.90                                       | 2,091.5                               | 7.44               |
| 1954 " .....                     | (-) 1,900  | 6,220   | 2,433   | 30,366  | 29,119   | 340.79                                       | 1,238.5                               | 9.44               |
| 1955 " .....                     | (-) 2,766  | 6,738   | 319   | 37,243  | 31,958   | 374.00                                       | 2,505.3                               | 7.96               |
| 1955                             |  |   |   |   |          |  |                                       |                    |
| August .....                     | (-) 205  | 5,408   | 1,644   | 33,040  | 29,992   | 377.48                                       | 261.7                                 | 7.52               |
| September .....                  | (-) 70   | 5,298   | 1,434   | 34,627  | 30,301   | 386.16                                       | 220.8                                 | 7.60               |
| October .....                    | (-) 867  | 5,493   | 830   | 34,257  | 30,360   | 401.47                                       | 314.1                                 | 7.15               |
| November .....                   | (-) 165  | 5,593   | 642   | 35,294  | 30,848   | 401.53                                       | 290.8                                 | 7.35               |
| December .....                   | (-) 1,792  | 6,738   | 319   | 37,243  | 31,958   | 409.81                                       | 384.0                                 | 6.92               |
| 1956                             |  |   |   |   |          |  |                                       |                    |
| January .....                    | 703  | 5,828   | 281   | 36,498  | 31,602   | 426.40                                       | 357.3                                 | 6.92               |
| February .....                   | 202  | 5,685   | 209   | 36,837  | 31,817   | 429.71                                       | 387.1                                 | 6.61               |
| March .....                      | 269  | 5,747   | 273   | 38,929  | 32,584   | 444.29                                       | 491.0                                 | 6.53               |
| April .....                      | (-) 558  | 5,847   | 184   | 38,475  | 32,397   | 471.86                                       | 712.1                                 | 6.45               |
| May .....                        | 454  | 5,614   | 229   | 39,378  | 32,902   | 480.56                                       | 608.9                                 | 6.38               |
| June .....                       | 198  | 5,969   | 629   | 40,635  | 34,062   | 502.21                                       | 715.7                                 | 6.33               |
| July .....                       | (-) 4  | 5,975   | 625   | 40,883  | 34,822   | 496.80                                       | 417.1                                 | 6.51               |
| August .....                     | 398  | 5,924   | 926   | 41,683  | 35,685   | 502.03                                       | 408.2                                 | 6.69               |
| September .....                  | 51   | 5,995   | 913   | 44,258  | 37,208   | 487.24                                       | ▲ 323.8                               | 7.25               |
| October .....                    | (-) 333  | 6,110   | 756   | 43,635  | 37,219   | 496.19                                       | ▲ 540.3                               | 7.25               |
| November .....                   | (-) 213  | 6,260   | 711   | 45,237  | 38,418   | 532.76                                       | ▲ 1,053.0                             | 6.66               |
| December .....                   | (-) 870  | 7,849   | 1,399   | ..  | ..       | 554.72                                       | 668.9                                 | 6.77               |
| Ag. Previous Month (%)..         | —  | (+) 25.4  | (+) 96.8  | (+) 3.7   | (+) 3.2  | (+) 4.1                                      | (-) 36.5                              | (+) 1.7            |
| Ag. Corr. Month in 1955 (%)..... | —  | (+) 16.5  | (+) 338.6   | (+) 28.2  | (+) 24.5 | (+) 35.4                                     | (+) 74.2                              | (-) 2.2            |
| Year & Month                     | Tokyo Wholesale Price Indices (1)<br>Total Average                             |   | Tokyo Retail Price Indices (1)<br>Total Average<br>July, 1952=100 | Export & Import Price Indices (1) (July, 1949-June, 1950=100) |          | Cost of Living Tokyo (4)<br>(Nov., 1946=100) | Consumer Price Indices (1951=100) (5) |                    |
|                                  | 1952=100   | 1934-1936=100                                     |   | Exports   | Imports  |  | Tokyo                                 | All Cities         |
| 1947 av. ....                    | —  | 4,815.2   | —   | —   | —        | 236.1  | 42.7                                  | 38.2               |
| 1948 " .....                     | —  | 12,792.6  | —   | —   | —        | 472.9  | 74.0                                  | 69.9               |
| 1949 " .....                     | —  | 20,876.4  | —   | —   | —        | 607.9  | 92.7                                  | 92.2               |
| 1950 " .....                     | —  | 24,680.7  | —   | 115.6   | 107.8    | 541.1  | 86.1                                  | 85.9               |
| 1951 " .....                     | —  | 34,253.1  | —   | 165.5   | 136.3    | 637.4  | 100.0                                 | 100.0              |
| 1952 " .....                     | 100.0  | 34,921.5  | 100.0   | 134.9   | 122.1    | 681.9  | 104.2                                 | 105.0              |
| 1953 " .....                     | 100.4  | 35,157.3  | 103.5   | 127.9   | 110.1    | 782.1  | 112.0                                 | 111.9              |
| 1954 " .....                     | 99.7   | 34,969.0  | 106.9   | 123.0   | 105.7    | 850.2  | 118.1                                 | 119.1              |
| 1955 " .....                     | 97.9   | 34,301.9  | 102.4   | 123.5   | 106.6    | 874.7  | 116.4                                 | 117.8              |
| 1955                             |  |   |   |   |          |  |                                       |                    |
| December .....                   | 97.9   | 34,299.0  | 99.8  | 126.1   | 105.6    | 832.9  | 115.2                                 | 115.7              |
| 1956                             |  |   |   |   |          |  |                                       |                    |
| January .....                    | 98.6   | 34,539.6  | 99.8  | 127.1   | 106.1    | 839.1  | 115.5                                 | 116.4              |
| February .....                   | 99.3   | 34,789.5  | 100.7   | 127.5   | 105.2    | 835.2  | 116.8                                 | 117.4              |
| March .....                      | 99.6   | 34,894.6  | 102.3   | 128.1   | 103.7    | 835.2  | 118.1                                 | 118.5              |
| April .....                      | 100.2  | 35,104.8  | 102.6   | 127.8   | 103.8    | 838.3  | 118.4                                 | 119.1              |
| May .....                        | 101.3  | 35,490.2  | 101.6   | 128.9   | 104.4    | 830.5  | 116.6                                 | 118.1              |
| June .....                       | 101.4  | 35,525.2  | 103.1   | 128.4   | 104.4    | 836.8  | 118.7                                 | 118.8              |
| July .....                       | 101.6  | 35,595.3  | 102.9   | 127.9   | 104.0    | 838.3  | 115.0                                 | 117.2              |
| August .....                     | 102.8  | 36,015.7  | 103.3   | 128.3   | 103.9    | 832.1  | 116.5                                 | 118.4              |
| September .....                  | 104.7  | 36,681.3  | 102.6   | 129.6   | 103.4    | 820.3  | 117.2                                 | 118.5              |
| October .....                    | 104.5  | 36,611.3  | 102.7   | 130.0   | 103.4    | 828.2  | 118.4                                 | 119.4              |
| November .....                   | 105.6  | 36,996.6  | 101.7   | 130.9   | 105.1    | 825.8  | 117.7                                 | ..                 |
| December .....                   | 106.4  | 37,276.9  | 101.5   | ..  | ..       | 827.4  | ..                                    | ..                 |
| 1957                             |  |   |   |   |          |  |                                       |                    |
| January .....                    | ..   | ..  | ..  | ..  | ..       | 847.0  | ..                                    | ..                 |
| Ag. Previous Month (%)..         | (+) 0.8  | (+) 0.8   | (-) 0.2   | (+) 0.7   | (+) 1.6  | (+) 2.4                                      | (-) 0.6                               | (+) 0.8            |
| Ag. Corr. Month in 1955 (%)..... | (+) 8.7  | (+) 8.7   | (+) 1.7   | (+) 4.4   | (-) 1.0  | (+) 0.9                                      | (+) 1.9                               | (+) 0.3            |

Sources: (1) Bank of Japan.

(2) Ministry of Finance.

(3) Tokyo Securities Exchange.

(4) The Oriental Economist.

(5) Statistics Bureau, Prime Minister's Office.



## 2. Business Indices

| Year & Month                        | Consumption Level (1)<br>(1934-1936=100) |         |               | Manufacturing In-<br>dustry Wages (2)<br>(1934-6=100) |                   | Employ-<br>ment In-<br>dices for<br>Mfg. In-<br>dustries (2)<br>(1947=100) | Number<br>of Un-<br>employed<br>(3)<br>(In 10,000) | E.P.B. Indices (1)<br>(1934-6=100) |                              | Manufacturing<br>Industries Total<br>(1950=100) |  |
|-------------------------------------|--|---------|---------------|---|-------------------|--|--|------------------------------------|------------------------------|---|--|
|                                     | Total                                    | Urban   | Non-<br>Urban | Nominal<br>(Yen)                                      | Real<br>(Indices) |  |  | Business<br>Activity<br>Indices    | Mining<br>Manufac-<br>turing | Piled-up<br>Materials<br>Indices<br>(4)         | Piled-up<br>Imported<br>Materials<br>Indices (4) |
| 1947.....                           | —  | 55.4    | —             | 1,580   | 32.0              | 100.0  | ..   | 46.2                               | 37.4                         | —   | —  |
| 1948.....                           | —  | 61.2    | —             | 4,381   | 48.6              | 101.0  | 24   | 61.8                               | 54.6                         | —   | —  |
| 1949.....                           | —  | 65.0    | —             | 7,516   | 66.3              | 102.0  | 38   | 76.7                               | 71.0                         | —   | —  |
| 1950.....                           | —  | 69.8    | —             | 9,135   | 85.4              | 97.1   | 44   | 88.0                               | 83.6                         | 100.0   | 100.0  |
| 1951.....                           | —  | 68.9    | —             | 11,708  | 92.1              | 104.5  | 39   | 119.4                              | 114.4                        | 130.4   | 136.5  |
| 1952.....                           | 94.8                                     | 80.2    | 116.6         | 13,516  | 102.3             | 107.7  | 47   | 131.8                              | 126.4                        | 140.7   | 145.4  |
| 1953.....                           | 105.6                                    | 94.0    | 123.0         | 15,322  | 107.3             | 112.7  | 45   | 161.2                              | 155.1                        | 164.7   | 164.7  |
| 1954.....                           | 111.0                                    | 100.0   | 127.5         | 16,307  | 108.0             | 118.2  | 53   | 173.5                              | 166.9                        | 172.6   | 165.7  |
| 1955.....                           | 115.1                                    | 106.5   | 128.1         | 16,759  | 114.5             | 116.6  | 68   | 187.9                              | 180.7                        | 188.1   | 155.3  |
| 1955                                |  |         |               |   |                   |  |  |                                    |                              |   |  |
| November .....                      | 120.2                                    | 111.0   | 133.9         | 15,541  | 110.7             | 116.6  | 57   | 197.2                              | 189.7                        | 200.0   | 158.1  |
| December .....                      | 175.4                                    | 167.3   | 187.5         | 27,784  | 185.8             | 116.6  | 57   | 207.1                              | 199.1                        | 210.7   | 161.4  |
| 1956                                |  |         |               |   |                   |  |  |                                    |                              |   |  |
| January .....                       | 117.0                                    | 102.3   | 139.0         | 15,914  | 111.1             | 116.2  | 68   | 189.4                              | 181.6                        | 189.8   | 160.7  |
| February .....                      | 116.8                                    | 101.0   | 140.4         | 15,598  | 109.9             | 116.2  | 75   | 198.6                              | 191.0                        | 204.1   | 157.5  |
| March .....                         | 116.6                                    | 104.3   | 135.1         | 15,478  | 107.4             | 117.7  | 106  | 208.1                              | 200.1                        | 216.6   | 161.1  |
| April .....                         | 116.5                                    | 106.1   | 132.2         | 15,925  | 110.5             | 121.7  | 70   | 219.4                              | 211.2                        | 217.3   | 169.6  |
| May .....                           | 105.3                                    | 99.8    | 113.6         | 15,623  | 107.6             | 121.9  | 62   | 220.4                              | 212.2                        | 220.9   | 181.5  |
| June .....                          | 106.8                                    | 105.6   | 108.4         | 20,435  | 134.6             | 122.1  | 57   | 223.3                              | 215.4                        | 220.1   | 195.5  |
| July .....                          | 120.8                                    | 123.3   | 117.1         | 22,214  | 152.6             | 122.6  | 57   | 227.5                              | 219.3                        | 227.2   | 198.8  |
| August .....                        | 111.9                                    | 98.1    | 132.5         | 16,647  | 116.6             | 122.9  | 57   | 228.1                              | 220.2                        | 231.8   | 208.7  |
| September .....                     | 107.4                                    | 99.0    | 120.0         | 16,055  | 112.6             | 123.5  | 56   | 232.9                              | 224.9                        | 241.4   | 214.3  |
| October .....                       | ..                                       | 104.4   | ..            | 16,179  | 111.6             | 123.8  | 51   | 233.6                              | 225.1                        | 244.5   | 228.8  |
| November .....                      | ..                                       | ..      | ..            | ..  | ..                | ..   | ..   | 235.9                              | 227.4                        | ..  | ..   |
| Ag. Previous Month (%)              | (→) 4.1                                  | (→) 5.4 | (→) 9.5       | (→) 0.7   | (→) 0.9           | (→) 0.2  | (→) 9.0  | (→) 1.0                            | (→) 1.0                      | ..  | ..   |
| Ag. Corr. Month in<br>1955 (%)..... | (→) 1.3                                  | (→) 0.3 | (→) 1.3       | (→) 7.6   | (→) 6.5           | (→) 6.1  | (→) 29.2   | (→) 19.6                           | (→) 19.9                     | ..  | ..   |

| Year & Month                        | Producer's<br>Stock<br>Indices<br>Mining<br>(4) | Seller's<br>Stock<br>Indices<br>(4) | Car-<br>loadings<br>(5) | Depart-<br>ment<br>Store<br>Sales (4) | Foreign Trade (6)<br>(In \$1,000) |           |             | Foreign Trade<br>Volume Indices<br>(1934-6=100)<br>(6) |          | Foreign Exchange (7)<br>(In \$1,000) |           |             |
|-------------------------------------|---|-------------------------------------|-------------------------|---------------------------------------|-----------------------------------|-----------|-------------|--|----------|--------------------------------------|-----------|-------------|
|                                     | Mfg. Total<br>(4)<br>1950=100                   | 1950=100                            | Indices<br>1941=100     |                                       | Exports                           | Imports   | Balance     | Exports  | Imports  | Received                             | Paid      | Balance     |
|                                     |   |                                     |                         |                                       |                                   |           |             |  |          |                                      |           |             |
| 1947.....                           | —   | —                                   | 72.1                    | 1,188.6                               | 173,568                           | 526,130   | △ 352,562   | —  | —        | —                                    | —         | —           |
| 1948.....                           | —   | —                                   | 82.3                    | 3,036.1                               | 258,271                           | 684,220   | △ 425,949   | —  | —        | —                                    | —         | —           |
| 1949.....                           | —   | —                                   | 86.9                    | 5,499.8                               | 509,700                           | 904,845   | △ 395,145   | —  | —        | —                                    | —         | —           |
| 1950.....                           | 100.0   | 100.0                               | 87.4                    | 7,690.2                               | 820,055                           | 974,339   | △ 154,284   | 78.1   | 45.0     | 1,008,310                            | 677,207   | 331,102     |
| 1951.....                           | 98.7  | 83.4                                | 106.2                   | 11,943.3                              | 1,354,520                         | 1,995,039 | △ 640,520   | 87.1   | 66.8     | 2,240,580                            | 1,909,277 | 331,303     |
| 1952.....                           | 121.3   | 85.5                                | 103.3                   | 15,108.9                              | 1,272,915                         | 2,028,193 | △ 755,278   | 92.4   | 73.6     | 2,239,127                            | 1,924,815 | 314,312     |
| 1953.....                           | 120.2   | 96.1                                | 105.7                   | 19,818.1                              | 1,274,843                         | 2,409,638 | △ 1,134,795 | 100.0  | 100.0    | 2,120,037                            | 2,313,716 | (→) 193,679 |
| 1954.....                           | 155.5   | 109.2                               | 105.6                   | 22,193.7                              | 1,629,336                         | 2,399,404 | △ 770,168   | 133.3  | 103.6    | 2,309,264                            | 2,209,296 | 99,967      |
| 1955.....                           | 144.4   | 113.6                               | 105.9                   | 23,668.9                              | 2,010,600                         | 2,471,430 | △ 460,831   | 174.1  | 108.9    | 2,667,645                            | 2,173,846 | 493,798     |
| 1955                                |   |                                     |                         |                                       |                                   |           |             |  |          |                                      |           |             |
| December .....                      | 131.7   | 112.1                               | 109.2                   | 54,881.1                              | 249,180                           | 233,344   | 15,835      | 250.9  | 123.0    | 268,769                              | 207,506   | 61,263      |
| 1956                                |   |                                     |                         |                                       |                                   |           |             |  |          |                                      |           |             |
| January .....                       | 133.9   | 113.7                               | 107.8                   | 19,503.4                              | 149,781                           | 218,555   | △ 68,774    | 153.2  | 115.6    | 238,341                              | 208,812   | 29,528      |
| February .....                      | 133.1   | 112.5                               | 113.3                   | 19,444.2                              | 185,704                           | 220,380   | △ 34,676    | 191.1  | 115.9    | 254,216                              | 210,348   | 43,868      |
| March .....                         | 126.9   | 113.8                               | 101.9                   | 27,180.0                              | 223,874                           | 253,365   | △ 29,492    | 222.4  | 133.6    | 256,733                              | 206,487   | 50,246      |
| April .....                         | 127.5   | 115.6                               | 109.7                   | 26,251.0                              | 195,255                           | 255,262   | △ 60,006    | 201.4  | 133.5    | 275,650                              | 223,647   | 52,002      |
| May .....                           | 130.4   | 123.8                               | 111.2                   | 23,580.9                              | 194,961                           | 271,747   | △ 76,786    | 195.1  | 142.4    | 245,458                              | 217,004   | 28,454      |
| June .....                          | 135.0   | 126.0                               | 115.4                   | 24,226.7                              | 210,742                           | 280,403   | △ 69,661    | 210.9  | 144.6    | 295,161                              | 253,225   | 41,935      |
| July .....                          | 136.9   | 132.2                               | 116.5                   | 31,697.4                              | 197,783                           | 276,447   | △ 78,624    | 196.0  | 142.6    | 274,461                              | 286,437   | (→) 11,976  |
| August .....                        | 135.6   | 143.4                               | 118.3                   | 23,837.8                              | 215,842                           | 289,392   | △ 73,568    | 212.4  | 147.4    | 282,587                              | 283,071   | (→) 484     |
| September .....                     | 134.1   | 141.8                               | 119.3                   | 20,936.3                              | 205,228                           | 258,986   | △ 53,758    | 202.3  | 130.0    | 256,807                              | 237,945   | 18,862      |
| October .....                       | 135.8   | ..                                  | 120.3                   | 27,932.6                              | 233,912                           | 304,769   | △ 70,847    | 231.9  | 155.3    | 289,362                              | 264,048   | 25,314      |
| November .....                      | ..  | ..                                  | 116.6                   | ..                                    | 218,067                           | 281,994   | △ 65,927    | 213.0  | 140.5    | 269,821                              | 269,289   | 532         |
| December .....                      | ..  | ..                                  | ..                      | ..                                    | 271,950                           | 318,386   | △ 46,436    | ..   | ..       | ..                                   | ..        | ..          |
| Ag. Previous Month (%)              | (→) 1.3   | (→) 1.1                             | (→) 3.1                 | (→) 33.4                              | (→) 25.9                          | (→) 12.9  | —           | (→) 8.2  | (→) 9.6  | (→) 6.8                              | (→) 1.9   | —           |
| Ag. Corr. Month in<br>1955 (%)..... | (→) 3.0   | (→) 15.1                            | (→) 4.4                 | (→) 20.2                              | (→) 9.1                           | (→) 36.4  | —           | (→) 22.1   | (→) 19.7 | (→) 14.0                             | (→) 43.3  | —           |

Notes: △ in Foreign Trade means excess in import.

△ Revised at source.

Sources: (1) Economic Planning Board

(3) Statistics Bureau, Prime Minister's Office

(5) Ministry of Transportation

(7) Bank of Japan

(2) Ministry of Labor

(4) MITI

(6) Ministry of Finance



## 3. Treasury Accounts with the Public

(In ¥100,000,000)

(Ministry of Finance.)

| Items   | Fiscal 1955 | Fiscal 1956 |       |        |       |            |       |       |         |           |           | 1955 |
|---|-------------|-------------|-------|--------|-------|------------|-------|-------|---------|-----------|-----------|------|
|   | Total       | Apr.-June   | July  | August | Sept. | July-Sept. | Oct.  | Nov.  | Dec.    | Oct.-Dec. | Oct.-Dec. |      |
| General Account   |             |             |       |        |       |            |       |       |         |           |           |      |
| Revenue   |             |             |       |        |       |            |       |       |         |           |           |      |
| Taxes .....   | 536         | 1,996       | 741   | 779    | 697   | 2,217      | 591   | 599   | 1,191   | 2,383     | 1,927     |      |
| Monopoly .....  | 94          | 335         | 68    | 130    | 56    | 254        | 35    | 38    | 82      | 154       | 126       |      |
| Others .....  | 70          | 164         | 23    | 45     | 30    | 98         | 43    | 33    | 75      | 150       | 108       |      |
| Total .....   | 700         | 2,495       | 832   | 954    | 783   | 2,569      | 669   | 670   | 1,348   | 2,687     | 2,161     |      |
| Expenditure   |             |             |       |        |       |            |       |       |         |           |           |      |
| Defense Expenditure .....   | 92          | 117         | 83    | 11     | 11    | 168        | 88    | 11    | 30      | 129       | 144       |      |
| Defense Board .....   | 154         | 265         | 53    | 58     | 46    | 157        | 56    | 71    | 122     | 249       | 218       |      |
| Public Works Expenditure .....                                      | 180         | 333         | 66    | 102    | 79    | 247        | 99    | 92    | 249     | 442       | 373       |      |
| Local Finance Equalization Grants ..                                | 374         | 748         | 36    | 223    | 202   | 461        | 85    | 360   | 22      | 416       | 529       |      |
| Compulsory Education Expenditure ..                                 | 40          | 179         | 121   | 45     | —     | 166        | 107   | 124   | 7       | 238       | 229       |      |
| Others .....  | 456         | 959         | 223   | 238    | 242   | 703        | 283   | 253   | 531     | 1,062     | 987       |      |
| Total .....   | 1,296       | 2,601       | 582   | 680    | 580   | 1,842      | 668   | 911   | 961     | 2,536     | 2,480     |      |
| Balance .....   | △ 506       | △ 106       | 250   | 274    | 203   | 727        | 1     | △ 241 | 387     | 151       | △ 319     |      |
| Special Accounts and Others   |             |             |       |        |       |            |       |       |         |           |           |      |
| Foodstuff Control .....   | 384         | 579         | △ 299 | △ 7    | △ 93  | △ 399      | △ 300 | △ 113 | △ 612   | △ 1,024   | △ 1,450   |      |
| Trust Fund Bureau .....   | △ 66        | △ 200       | △ 66  | △ 2    | △ 16  | △ 84       | △ 55  | 2     | △ 231   | △ 283     | △ 188     |      |
| Industrial Investment .....   | —           | 28          | △ 17  | —      | 60    | 43         | △ 16  | △ 15  | 9       | △ 22      | △ 27      |      |
| National Railways and Nippon Telegraph & Tel. Public Corporation .. | 42          | 150         | △ 34  | 35     | △ 13  | △ 12       | 57    | 16    | △ 196   | △ 120     | △ 95      |      |
| Finance Corporation .....   | △ 50        | △ 156       | △ 53  | △ 49   | △ 73  | △ 175      | △ 62  | △ 71  | △ 146   | △ 280     | △ 245     |      |
| Others .....  | △ 174       | △ 11        | 68    | 154    | 43    | 265        | △ 20  | 162   | △ 9     | 126       | △ 135     |      |
| Total .....   | 136         | 390         | △ 401 | 131    | △ 92  | △ 362      | △ 396 | △ 19  | △ 1,185 | △ 1,603   | △ 2,140   |      |
| Designated Deposits .....   | —           | —           | —     | —      | —     | —          | —     | —     | —       | —         | —         |      |
| Adjustment Items .....  | 54          | △ 95        | 50    | △ 13   | △ 38  | △ 1        | 72    | △ 31  | 9       | 48        | 160       |      |
| Foreign Exchange .....  | △ 143       | △ 95        | 97    | 6      | △ 124 | △ 21       | △ 10  | 78    | △ 81    | △ 12      | △ 525     |      |
| Balance .....   | △ 558       | 94          | △ 4   | 398    | △ 51  | 343        | △ 333 | △ 213 | △ 870   | △ 1,416   | △ 2,824   |      |

## 4. Monthly Report of All Banks

(October, 1956: Excluding Bank of Japan)

(In million yen)

(Bank of Japan)

|   | All Banks                  |                 |                  |                 |            |                        |            | Trust Account (17) |
|---|----------------------------|-----------------|------------------|-----------------|------------|------------------------|------------|--------------------|
|   | Debiture Issuing Banks (2) | City Banks (13) | Local Banks (65) | Trust Banks (6) | Total (86) | Leftover from Pre. mo. |            |                    |
| Deposits                                  |                            |                 |                  |                 |            |                        |            |                    |
| Current Deposits .....                    | 11,099                     | 700,903         | 130,815          | 39,907          | 882,725    | 605,061                | —          |                    |
| Ordinary Deposits .....                   | 7,371                      | 524,807         | 316,531          | 16,665          | 865,376    | 709,628                | —          |                    |
| Deposits at Notice .....                  | 18,777                     | 188,928         | 43,440           | 19,705          | 270,852    | 234,976                | —          |                    |
| Time Deposits .....                       | 10,038                     | 1,189,959       | 671,067          | 32,048          | 1,903,113  | 1,507,955              | —          |                    |
| Special Deposits .....                    | 3,254                      | 106,865         | 31,367           | 5,714           | 147,202    | 115,926                | —          |                    |
| Instalment Savings .....                  | —                          | 36,648          | 96,016           | 316             | 132,981    | 123,660                | —          |                    |
| Deposits for Tax Payment .....            | 37                         | 8,002           | 2,688            | 406             | 11,135     | 9,936                  | —          |                    |
| Deposits of Gov't and Gov't Agencies ..   | 1,980                      | 147,431         | —                | —               | 149,411    | 117,645                | * 158,038  |                    |
| Other Deposits .....                      | —                          | 762             | —                | —               | 762        | 958                    | ** 153,333 |                    |
| Total .....                               | 52,557                     | 2,904,310       | 1,291,927        | 114,765         | 4,363,560  | 3,425,749              | —          |                    |
| Borrowed Money .....                      | 5,091                      | 144,231         | 2,284            | 1,947           | 153,553    | 128,824                | —          |                    |
| Borrowings for Settlement of Import Bills | —                          | 21,517          | 8                | —               | 21,525     | 17,811                 | —          |                    |
| Call Money .....                          | 16                         | 89,906          | 12,295           | 10,748          | 112,966    | 84,034                 | —          |                    |
| Cash and Deposits                         |                            |                 |                  |                 |            |                        |            |                    |
| Cash in Hand .....                        | 6,668                      | 539,369         | 84,623           | 23,862          | 654,523    | 436,985                | 1,871      |                    |
| Deposits with Domestic Money Organs ..    | 109                        | 5,139           | 18,559           | 2,521           | 26,330     | 38,876                 | 891        |                    |
| Call Loans .....                          | 7,930                      | 8,198           | 30,188           | 2,661           | 48,977     | 32,757                 | 26,207     |                    |
| Securities                                |                            |                 |                  |                 |            |                        |            |                    |
| Government Bonds .....                    | 2,919                      | 37,838          | 11,377           | 889             | 53,024     | 46,068                 | 76         |                    |
| Local Government Bonds .....              | 2,051                      | 25,630          | 23,237           | 338             | 51,258     | 28,481                 | 1,141      |                    |
| Foreign Bonds .....                       | —                          | 1,892           | —                | —               | 1,892      | 2,961                  | 9          |                    |
| Corporate Debentures .....                | 10,763                     | 235,018         | 180,668          | 5,687           | 432,137    | 348,007                | 3,322      |                    |
| Stocks .....                              | 9,752                      | 55,913          | 20,855           | 3,479           | 90,001     | 51,247                 | 2,267      |                    |
| Other Bonds .....                         | 152                        | 279             | 1,357            | 573             | 2,363      | 837                    | 23         |                    |
| Total .....                               | 25,640                     | 356,572         | 237,496          | 10,968          | 630,678    | 477,604                | 6,841      |                    |
| Advance                                   |                            |                 |                  |                 |            |                        |            |                    |
| Discount Bills .....                      | 12,303                     | 874,633         | 302,179          | 63,542          | 1,252,658  | 1,066,094              | 19,916     |                    |
| Bank Acceptance Bills .....               | —                          | 901             | 9,645            | 18              | 10,565     | 21,026                 | —          |                    |
| Commercial Bills .....                    | 12,303                     | 872,618         | 290,829          | 63,511          | 1,239,263  | 1,042,388              | —          |                    |
| Documentary Bills .....                   | —                          | 1,114           | 1,703            | 11              | 2,829      | 2,679                  | —          |                    |
| Advances against Guarantee .....          | 348,062                    | 1,283,032       | 732,435          | 40,482          | 2,404,013  | 1,922,257              | 265,744    |                    |
| Loans on Bills .....                      | 63,511                     | 1,230,507       | 686,398          | 39,528          | 2,019,946  | 1,605,248              | 100,740    |                    |
| Loans on Deeds .....                      | 284,487                    | 16,800          | 34,846           | 580             | 336,715    | 295,959                | 49,022     |                    |
| Overdrafts .....                          | 63                         | 35,723          | 11,189           | 373             | 47,351     | 21,049                 | —          |                    |
| Loans for Settlement of Import Bills ..   | 1,439                      | 61,578          | 960              | 1,167           | 65,146     | 47,705                 | —          |                    |
| Total .....                               | 361,806                    | 2,219,244       | 1,035,575        | 105,192         | 3,721,818  | 3,036,057              | 285,690    |                    |

Note: △ Means excess of payment. \* Money in trust total. \*\* Loan trust.



## 5. Bank of Japan Ten-day Report

(In million yen) (Bank of Japan)

| Items                                | 1956           |                |                | 1955           |
|--------------------------------------|----------------|----------------|----------------|----------------|
|                                      | Dec. 10        | Dec. 20        | Dec. 31        | Dec. 31        |
| <b>LIABILITIES</b>                   |                |                |                |                |
| Bank Notes Issued .....              | 639,247        | 722,045        | 784,861        | 673,890        |
| Bankers' Deposits .....              | 9,344          | 12,170         | 4,270          | 2,098          |
| Government Deposits .....            | 53,201         | 55,527         | 53,797         | 50,778         |
| Other Deposits .....                 | 29,729         | 27,453         | 26,806         | 31,580         |
| Inter-Bank Remittance Deposits ..... | —              | —              | —              | 31,466         |
| Reserves Against Contingencies ..... | 28,098         | 28,098         | 28,098         | 25,615         |
| Other Liabilities .....              | 45,444         | 48,083         | 48,618         | 32,549         |
| Capital Stock .....                  | 100            | 100            | 100            | 100            |
| Reserve Funds .....                  | 15,236         | 15,236         | 15,236         | 13,473         |
| <b>Total .....</b>                   | <b>820,403</b> | <b>908,715</b> | <b>961,790</b> | <b>861,552</b> |
| <b>ASSETS</b>                        |                |                |                |                |
| Bullion .....                        | 447            | 447            | 447            | 447            |
| Cash .....                           | 3,248          | 2,364          | 1,522          | 2,793          |
| Discounted Bills .....               | 17,326         | 22,336         | 25,406         | 14,153         |
| Loans .....                          | 134,502        | 134,568        | 114,508        | 17,824         |
| Foreign Exchange Loans ..            | 3,831          | 3,773          | 3,090          | 12,738         |
| Advances to Government ..            | —              | —              | —              | 1,250          |
| Government Bonds .....               | 433,202        | 509,601        | 586,778        | 553,659        |
| Foreign Ex. Accounts .....           | 178,806        | 178,877        | 178,920        | 184,843        |
| Inter-Bank Remittance .....          | —              | —              | —              | 35,621         |
| Agencies Accounts .....              | 8,180          | 15,297         | 7,169          | 8,691          |
| Other Assets .....                   | 40,855         | 41,449         | 43,945         | 29,527         |
| <b>Total .....</b>                   | <b>820,403</b> | <b>908,715</b> | <b>961,790</b> | <b>861,552</b> |

## 6. Outstanding Loans to Industries by All Banks

(In million yen) (Bank of Japan)

| End of Month                  | August 1956      |                 |                                | September 1956   |                 |                                |
|-------------------------------|------------------|-----------------|--------------------------------|------------------|-----------------|--------------------------------|
|                               | Loans Total      | For Equip-ments | For Co. with less ¥100 Billion | Loans Total      | For Equip-ments | For Co. with less ¥100 Billion |
| Manufacturing total .....     | 1,658,596        | 147,628         | 523,224                        | 1,743,365        | 156,487         | 547,755                        |
| Foodstuffs .....              | 168,226          | 7,622           | 87,532                         | 173,202          | 8,075           | 88,002                         |
| Textiles .....                | 390,672          | 28,171          | 150,345                        | 420,607          | 31,262          | 161,884                        |
| Wood and Wood Products ..     | 66,184           | 1,382           | 56,140                         | 69,053           | 1,548           | 58,293                         |
| Paper & Related Products ..   | 93,178           | 10,505          | 17,981                         | 97,832           | 11,122          | 18,218                         |
| Printing & Publishing ..      | 34,939           | 3,970           | 13,315                         | 36,777           | 4,008           | 14,114                         |
| Chemicals .....               | 166,394          | 24,783          | 30,134                         | 206,235          | 26,740          | 30,894                         |
| Glass & Ceramics .....        | 57,014           | 10,835          | 13,346                         | 58,758           | 11,114          | 13,568                         |
| Primary Metals .....          | 205,347          | 32,042          | 23,741                         | 213,904          | 32,783          | 24,796                         |
| Machinery .....               | 80,092           | 3,860           | 35,300                         | 84,867           | 3,967           | 37,734                         |
| Electric Machinery & Tools .. | 110,833          | 8,992           | 14,648                         | 114,946          | 9,431           | 15,429                         |
| Trans. Machinery & Tools ..   | 107,576          | 7,827           | 16,229                         | 112,394          | 8,024           | 16,954                         |
| Agriculture .....             | 11,630           | 471             | 11,331                         | 12,011           | 495             | 11,690                         |
| Forestry & Hunting .....      | 8,974            | 50              | 7,542                          | 9,290            | 50              | 7,876                          |
| Fishery .....                 | 53,364           | 15,659          | 17,697                         | 54,757           | 15,914          | 17,741                         |
| Mining .....                  | 90,651           | 17,630          | 12,462                         | 91,415           | 17,122          | 12,392                         |
| Metal Mining .....            | 15,839           | 4,253           | 693                            | 15,409           | 4,003           | 652                            |
| Coal Mining .....             | 64,837           | 11,188          | 9,005                          | 65,988           | 10,929          | 8,889                          |
| Construction .....            | 74,092           | 922             | 33,616                         | 78,828           | 1,058           | 36,267                         |
| Wholesale & Retail .....      | 1,099,251        | 10,637          | 578,006                        | 1,144,980        | 11,785          | 602,099                        |
| Wholesale .....               | 1,002,641        | 5,667           | 507,582                        | 1,044,000        | 6,281           | 529,259                        |
| Retail .....                  | 86,609           | 4,940           | 70,423                         | 100,980          | 5,503           | 72,840                         |
| Finance Insurance .....       | 55,171           | 81              | 9,398                          | 54,972           | 82              | 9,470                          |
| Real Estate .....             | 19,198           | 8,166           | 8,275                          | 20,479           | 8,591           | 8,496                          |
| Trans. & Public Utilities ..  | 291,158          | 206,403         | 19,521                         | 300,686          | 210,422         | 20,840                         |
| Railways .....                | 24,096           | 12,491          | 195                            | 25,064           | 12,713          | 191                            |
| Shipping .....                | 92,021           | 63,789          | 6,607                          | 96,747           | 64,896          | 7,394                          |
| Electric .....                | 111,856          | 109,858         | 33                             | 112,661          | 111,063         | 28                             |
| Services .....                | 61,687           | 14,995          | 43,961                         | 64,753           | 16,409          | 45,837                         |
| Local Public Corporation ..   | 60,702           | 20,519          | 40,559                         | 56,707           | 19,224          | —                              |
| Others .....                  | 40,764           | 1,994           | —                              | 43,634           | 2,178           | 43,431                         |
| <b>Total .....</b>            | <b>3,525,244</b> | <b>445,103</b>  | <b>1,305,600</b>               | <b>3,675,884</b> | <b>459,823</b>  | <b>1,363,899</b>               |

## 7. Bank of Japan Official Interest Rates

(In sen per diem per ¥100)\*\*

| Revised on    | Commer-<br>cial<br>Bills | Against<br>Gov't<br>Bonds<br>* | Advance<br>Against<br>Securi-<br>ties other<br>than<br>Gov't<br>Bonds | Over-<br>draft | Year &<br>Month |
|---------------|--------------------------|--------------------------------|---|----------------|-----------------|
| 1932: Aug. 18 | 1.2                      | 1.3                            | 1.4   | 1.6            | 1956:           |
| 1933: July 3  | 1.0                      | 1.1                            | 1.2   | 1.4            | Mar. ....       |
| 1936: Apr. 7  | 0.9                      | 1.0                            | 1.1   | 1.3            | Apr. ....       |
| 1937: July 15 | 0.9                      | 0.9                            | 1.1   | 1.2            | May ....        |
| Sept. 21      | 0.9                      | 0.9                            | 1.1   | 1.1            | June ....       |
| 1946: Apr. 9  | 0.9                      | 1.0                            | 1.1   | 1.3            | July ....       |
| Oct. 14       | 1.0                      | 1.1                            | 1.2   | 1.4            | Aug. ....       |
| 1948: Apr. 25 | 1.2                      | 1.3                            | 1.4   | 1.7            | Sept. ....      |
| July 5        | 1.4                      | 1.5                            | 1.6   | 1.9            | Oct. ....       |
| 1949: Apr. 1  | 1.4                      | 1.5                            | 1.6   | 1.9            | Nov. ....       |
| June 2        | 1.4                      | 1.5                            | 1.6   | 1.9            | 1955:           |
| 1951: Oct. 1  | 1.6                      | 1.7                            | 1.8   | 2.1            | Nov. ....       |
| 1955: Aug. 10 | 2.0                      | 2.1                            | 2.2   | 2.3            |                 |

## 8. Interest Rates for Advances by Member Banks

(In sen per diem per ¥100) (Tokyo Banking Assoc.)

| Year & Month    | Loans on<br>Deeds |      | Loans on<br>Bills |      | Overdraft |      | Discount<br>Bills |      |
|-----------------|-------------------|------|-------------------|------|-----------|------|-------------------|------|
|                 | High              | Low  | High              | Low  | High      | Low  | High              | Low  |
| 1956: Mar. .... | 3.20              | 2.60 | 3.20              | 1.80 | 3.00      | 2.00 | 3.20              | 2.00 |
| Apr. ....       | 3.20              | 2.60 | 3.20              | 1.80 | 3.00      | 2.00 | 3.20              | 2.00 |
| May ....        | 3.20              | 2.40 | 3.10              | 1.80 | 3.00      | 1.90 | 3.00              | 2.00 |
| June ....       | 3.20              | 2.40 | 3.10              | 1.80 | 3.00      | 1.90 | 3.00              | 1.90 |
| July ....       | 3.20              | 2.40 | 3.20              | 1.80 | 3.00      | 1.80 | 3.00              | 1.90 |
| Aug. ....       | 3.20              | 2.40 | 3.20              | 1.80 | 3.00      | 1.80 | 3.00              | 1.90 |
| Sept. ....      | 3.20              | 2.40 | 3.20              | 1.80 | 3.00      | 1.80 | 3.00              | 1.90 |
| Oct. ....       | 3.20              | 2.40 | 3.10              | 1.80 | 3.00      | 1.80 | 3.00              | 1.90 |
| Nov. ....       | 3.20              | 2.40 | 3.10              | 1.80 | 3.00      | 1.80 | 3.00              | 1.90 |
| 1955: Nov. .... | 3.80              | 1.80 | 3.30              | 1.80 | 3.00      | 2.00 | 3.20              | 2.00 |

## 9. Tokyo-Osaka Call-Money and Its Rates

(Bank of Japan)

| Year & Month    | Tokyo                           |                             |   | Osaka                           |                             |   |
|-----------------|---------------------------------|-----------------------------|---|---------------------------------|-----------------------------|---|
|                 | Rate                            |                             | Balance at<br>the End of<br>the Month<br>(million<br>yen) | Rate                            |                             | Balance at<br>the End of<br>the Month<br>(million<br>yen) |
|                 | Over-<br>Month<br>-End<br>(sen) | Uncon-<br>ditional<br>(sen) |   | Over-<br>Month<br>-End<br>(sen) | Uncon-<br>ditional<br>(sen) |   |
| 1956: Apr. .... | 1.60                            | 1.30                        | 56,953  | 1.60                            | 1.40                        | 24,046  |
| May ....        | 1.55                            | 1.55                        | 53,476  | 1.60                            | 1.60                        | 24,024  |
| June ....       | 1.75                            | 1.70                        | 47,234  | 1.80                            | 1.70                        | 19,092  |
| July ....       | 2.10                            | 1.90                        | 53,665  | 2.15                            | 1.85                        | 20,382  |
| Aug. ....       | 2.30                            | 2.10                        | 59,175  | 2.35                            | 2.15                        | 21,625  |
| Sept. ....      | 2.35                            | 2.00                        | 54,523  | 2.35                            | 2.00                        | 21,330  |
| Oct. ....       | 2.05                            | 2.10                        | 65,529  | 2.10                            | 2.00                        | 23,961  |
| Nov. ....       | 2.05                            | 1.80                        | 81,560  | 2.05                            | 1.80                        | 27,358  |

## 10. Interest Rates of City Bank Deposits

(In sen per diem per ¥100) (Bank of Japan)

| Enforced on |       | Time Deposits (%) |               |             | Current<br>Depo-<br>sits | Ordinary<br>Depo-<br>sits | Depo-<br>sits at<br>Call | Other<br>Deposits |
|-------------|-------|-------------------|---------------|-------------|--------------------------|---------------------------|--------------------------|-------------------|
|             |       | Three<br>Months   | Six<br>Months | One<br>Year |                          |                           |                          |                   |
| 1940: Feb.  | A..   | —                 | —             | —           | —                        | —                         | —                        | —                 |
|             | B..   | —                 | 3.4           | —           | —                        | —                         | —                        | —                 |
| 1944: July  | ..    | —                 | 3.3           | —           | 0                        | 0.5                       | 0.6                      | 0.6               |
| 1947: June  | ..    | 3.3               | 3.5           | 3.6         | 0                        | 0.5                       | 0.6                      | 0.6               |
| 1948: Jan.  | ..    | 3.7               | 4.0           | 4.2         | 0                        | 0.5                       | 0.6                      | 0.6               |
|             | July  | ..                | 3.8           | 4.2         | 4.4                      | 0                         | 0.5                      | 0.6               |
| 1949: Aug.  | ..    | 3.8               | 4.4           | 4.7         | 0                        | 0.5                       | 0.6                      | 0.6               |
| 1951: Jan.  | ..    | 3.8               | 4.6           | 5.0         | 0                        | 0.5                       | 0.6                      | 0.6               |
|             | May   | ..                | 3.8           | 5.0         | 5.5                      | 0                         | 0.5                      | 0.6               |
|             | Sept. | ..                | 4.0           | 5.0         | 6.0                      | 0                         | 0.6                      | 0.7               |

Notes: <sup>△</sup> includes foreign trade bills. \* includes stamp bills, foreign trade bills, etc. from Oct. 14, 1946; and from June 1949 includes financial and other preferential debentures. \*\*HOW TO COMPUTE PER DIEM INTEREST:—In addition to the usual annual rate in percentage, computing interest by per diem rates is widely in use in Japan. This rate is expressed in sen (1/100 yen) as interest per day on ¥100 of principal. To find the usual annual rate from the per diem rate multiply the latter by 365. For example, a diem rate of 1.0 sen on a principal ¥100 gives an interest of 365 sen or ¥3.65 per year or 3.65% per annum.

# 11. Bank Clearings

(In billion yen)

(Tokyo Clearing House)

# 12. Dishonored Bills

(In million yen)

(Tokyo Clearing House)

| Year<br>&<br>Month | All Clearing Houses |        | Tokyo         |        | Osaka         |        | Of which, Transactions with Bank Suspended |        |              |        |                     |        |              |        |
|--------------------|---------------------|--------|---------------|--------|---------------|--------|--|--------|--------------|--------|---------------------|--------|--------------|--------|
|                    | No. of Bills        | Amount | No. of Bills  | Amount | No. of Bills  | Amount | Tokyo                                      |        | Osaka        |        | All Clearing Houses |        | Tokyo        |        |
|                    |                     |        |               |        |               |        | No. of Bills                               | Amount | No. of Bills | Amount | No. of Bills        | Amount | No. of Bills | Amount |
| 1956: Mar. ..      | (1,000) 11,791      | 3,286  | (1,000) 4,738 | 1,501  | (1,000) 2,377 | 790    | (1,000) 48                                 | 3,649  | (1,000) 34   | 2,750  | 6,877               | 453    | 2,257        | 161    |
| Apr. ..            | 11,438              | 3,065  | 4,616         | 1,416  | 2,322         | 723    | 45   | 3,256  | 33           | 2,142  | 6,464               | 430    | 2,134        | 148    |
| May....            | 12,099              | 3,040  | 4,863         | 1,405  | 2,454         | 715    | 49   | 3,567  | 33           | 2,130  | 6,600               | 413    | 2,186        | 165    |
| June....           | 13,049              | 3,215  | 5,179         | 1,494  | 2,598         | 768    | 44   | 3,496  | 29           | 2,098  | 5,911               | 362    | 1,898        | 133    |
| July....           | 12,413              | 3,232  | 5,080         | 1,493  | 2,465         | 770    | 45   | 3,268  | 31           | 2,258  | 6,069               | 364    | 1,840        | 126    |
| Aug. ..            | 12,134              | 3,374  | 4,818         | 1,543  | 2,480         | 810    | 45   | 3,226  | 34           | 2,153  | 6,148               | 366    | 1,904        | 134    |
| Sept. ..           | 11,520              | 3,457  | 4,628         | 1,591  | 2,346         | 838    | 44   | 3,187  | 28           | 2,051  | 5,768               | 386    | 1,918        | 135    |
| Oct....            | 13,014              | 3,779  | 5,178         | 1,727  | 2,641         | 902    | 54   | 4,343  | 37           | 2,577  | 7,165               | 469    | 2,171        | 179    |
| 1955: Oct. ....    | 10,731              | 2,853  | 4,285         | 1,326  | 2,160         | 656    | 48   | 3,816  | 37           | 2,640  | 7,366               | 461    | 2,275        | 160    |

# 13. Postal Savings & Postal Transfer Savings

(In million yen) (Ministry of Postal Services)

# 14. Average Yields of Debentures

(Industrial Bank of Japan)

| End of Month  | Postal Savings |           |         | Postal Transfer Savings | Total   | Month         | Gov't Bonds | Financial Debenture |          | Industrial Debenture |
|---------------|----------------|-----------|---------|-------------------------|---------|---------------|-------------|---------------------|----------|----------------------|
|               | Receipts       | Pay-ments | Balance |                         |         |               |             | Interest Bearing    | Discount |                      |
| 1956: May.... | 53,800         | 46,191    | 535,639 | 5,789                   | 541,428 | 1956: Mar. .. | 6.324       | 7.918               | 6.643    | 8.299                |
| June....      | 51,373         | 39,833    | 552,967 | 5,315                   | 558,282 | Apr. ....     | 6.331       | 7.411               | 6.224    | 7.701                |
| July....      | 60,879         | 42,301    | 571,545 | 6,748                   | 578,293 | May....       | —           | 7.411               | 6.224    | 7.674                |
| Aug. ..       | 48,704         | 42,310    | 578,149 | 5,901                   | 584,050 | June....      | 6.324       | 7.411               | 6.224    | 7.644                |
| Sept. ..      | 46,704         | 42,238    | 582,615 | 7,838                   | 590,453 | July ...      | —           | 7.411               | 6.224    | 7.918                |
| Oct....       | 55,137         | 42,675    | 592,445 | 8,384                   | 600,829 | Aug. ..       | 6.362       | 7.204               | 6.224    | 7.410                |
| Nov. ..       | 45,682         | 41,622    | 596,506 | 9,372                   | 605,878 | Sept. ..      | 6.324       | 7.204               | 6.224    | 7.380                |
| 1955: Nov. .. | 36,796         | 35,295    | 489,291 | 6,772                   | 496,063 | Oct. ....     | 6.331       | 7.204               | 6.224    | 7.372                |

# 15. Tokyo Wholesale Price Indices

(1952 as 100)

(Bank of Japan)

| Year & Month          | Total Average | Agricultural Products | Textiles | Fuels | Metal & Machinery | Building Materials | Chemical Products | Sundries | By Uses           |               |                   |
|-----------------------|---------------|-----------------------|----------|-------|-------------------|--------------------|-------------------|----------|-------------------|---------------|-------------------|
|                       |               |                       |          |       |                   |                    |                   |          | Pro-ducer's Goods | Capital Goods | Con-sumer's Goods |
| 1955 Average .....    | 97.9          | ..                    | 86.3     | 100.9 | 91.8              | 113.7              | 82.8              | 93.5     | 95.1              | 101.3         | 101.6             |
| 1956: September ..... | 104.7         | 104.3                 | 86.3     | 104.2 | 119.9             | 133.3              | 86.4              | 92.7     | 108.0             | 124.5         | 100.4             |
| October .....         | 104.5         | 103.9                 | 85.7     | 105.0 | 119.4             | 132.0              | 86.6              | 92.7     | 107.8             | 124.2         | 100.2             |
| November .....        | 105.6         | 105.1                 | 87.5     | 109.2 | 118.8             | 131.0              | 86.8              | 93.0     | 108.3             | 123.9         | 102.0             |
| December .....        | 106.4         | 106.8                 | 87.3     | 111.6 | 119.2             | 130.6              | 87.0              | 93.1     | 108.7             | 124.5         | 103.4             |
| 1955: December .....  | 97.9          | ..                    | 84.8     | 104.7 | 96.6              | 111.9              | 84.1              | 92.9     | 96.1              | 103.5         | 100.3             |

# 16. Tokyo Wholesale Price Indices

(1934-36=100)

(Bank of Japan)

| Year & Month         | Average  | Agricultural Products | Textiles | Fuel     | Metals & Machinery | Building Materials | Chemical Products | Miscellaneous |
|----------------------|----------|-----------------------|----------|----------|--------------------|--------------------|-------------------|---------------|
|                      |          |                       |          |          |                    |                    |                   |               |
| 1954 Average .....   | 34,929.6 | ..                    | 37,446.9 | 31,031.0 | 32,259.6           | 43,844.6           | 25,980.3          | 24,751.9      |
| 1955 " .....         | 34,293.1 | ..                    | 35,551.3 | 32,356.2 | 33,240.5           | 40,424.1           | 25,208.6          | 24,600.6      |
| 1956: July .....     | 35,560.2 | ..                    | 35,520.4 | 32,992.1 | 39,696.7           | 43,358.5           | 26,348.3          | 24,337.5      |
| August .....         | 36,015.7 | 32,878.7              | 35,026.0 | 33,152.4 | 41,109.2           | 45,706.0           | 26,196.0          | 24,930.1      |
| September .....      | 26,681.3 | 32,941.9              | 35,561.6 | 33,401.9 | 43,437.3           | 47,342.2           | 26,317.9          | 24,390.1      |
| October .....        | 36,611.3 | 32,815.6              | 35,314.4 | 33,665.4 | 43,246.2           | 46,950.9           | 26,378.8          | 24,390.1      |
| November .....       | 36,996.6 | 33,194.6              | 36,056.1 | 35,012.0 | 43,028.9           | 46,595.3           | 26,439.7          | 24,469.0      |
| December .....       | 37,276.9 | 33,731.5              | 35,973.7 | 35,781.5 | 43,137.8           | 46,453.0           | 26,500.6          | 24,495.4      |
| 1955: December ..... | 34,299.0 | 34,300.0              | 34,943.5 | 33,569.2 | 34,988.1           | 39,801.6           | 25,617.3          | 24,442.7      |

# 17. Tokyo Retail Price Indices

(1952=100)

(Bank of Japan)

| Year & Month         | Total Average | Agricultural Products | Textile Products | Metal Products | Wood Products | Fuel  | Miscella-neous | *Total Average | Total Average (1934-6=100) |
|----------------------|---------------|-----------------------|------------------|----------------|---------------|-------|----------------|----------------|----------------------------|
|                      |               |                       |                  |                |               |       |                |                |                            |
| 1956: July .....     | 102.9         | 111.1                 | 88.6             | 98.2           | 101.9         | 106.8 | 93.9           | 98.6           | 30,919.8                   |
| August .....         | 103.3         | 111.9                 | 88.4             | 98.4           | 101.7         | 106.8 | 93.9           | 98.6           | 30,040.0                   |
| September .....      | 102.6         | 110.3                 | 88.9             | 99.2           | 101.7         | 108.0 | 94.1           | 98.9           | 30,829.7                   |
| October .....        | 102.7         | 110.0                 | 88.8             | 99.9           | 101.7         | 112.1 | 94.5           | 99.1           | 30,859.7                   |
| November .....       | 101.7         | 107.7                 | 89.0             | 100.0          | 102.1         | 115.1 | 94.9           | 99.3           | 30,559.2                   |
| December .....       | 101.5         | 106.8                 | 89.1             | 100.0          | 102.1         | 121.1 | 96.1           | 99.9           | 30,499.1                   |
| 1955: December ..... | 99.8          | 105.7                 | 87.1             | 95.5           | 102.2         | 114.5 | 94.5           | 99.0           | 29,998.3                   |

Note: \* except perishable vegetables. ^ Provisional figures. ^ Revised at source.



## 18. Weekly Wholesale Price Indices

(June 18-24, 1950=100)

(Economic Planning Board)

|                    | Average | Food-stuffs | Textiles | Fuel  | Metals | Machinery | Building Materials | Chemicals | Miscellaneous | Consumer Goods | Producer Goods |
|--------------------|---------|-------------|----------|-------|--------|-----------|--------------------|-----------|---------------|----------------|----------------|
| 1956: Nov. 3 ..... | 168.8   | 151.6       | 90.9     | 168.6 | 312.7  | 190.0     | 229.3              | 106.3     | 134.6         | 145.5          | 181.4          |
| 10 .....           | 168.4   | 147.5       | 91.5     | 168.6 | 314.7  | 191.7     | 230.1              | 106.6     | 134.2         | 142.9          | 182.3          |
| 17 .....           | 168.1   | 146.7       | 92.2     | 168.6 | 312.8  | 191.7     | 230.2              | 106.6     | 135.1         | 142.4          | 182.1          |
| 24 .....           | 168.9   | 149.2       | 93.9     | 168.6 | 312.0  | 191.7     | 230.2              | 106.6     | 135.1         | 144.2          | 182.3          |
| Dec. 1 .....       | 169.2   | 150.5       | 93.4     | 169.0 | 311.0  | 193.2     | 229.9              | 107.0     | 135.8         | 145.1          | 182.4          |
| 8 .....            | 169.7   | 150.7       | 93.3     | 169.0 | 311.6  | 196.1     | 230.5              | 107.1     | 136.0         | 145.2          | 175.5          |
| 15 .....           | 170.5   | 152.4       | 92.7     | 173.5 | 310.9  | 196.1     | 230.7              | 107.3     | 136.5         | 147.2          | 183.2          |
| 22 .....           | 171.1   | 155.9       | 92.3     | 173.6 | 310.0  | 196.1     | 230.7              | 107.3     | 136.5         | 149.5          | 182.9          |
| 29 .....           | 172.4   | 161.4       | 92.2     | 173.9 | 309.1  | 196.1     | 230.8              | 107.7     | 136.5         | 153.2          | 182.9          |
| 1957: Jan. 5 ..... | 172.6   | 161.2       | 92.4     | 173.9 | 310.9  | 196.1     | 230.8              | 107.7     | 136.5         | 153.1          | 183.3          |

## 19. Commodity Quotations &amp; Turnovers

| Year & Month    | Tokyo Cotton Yarn<br>(20, single, per lb.)              |       |              |                                |       |              |                                    | Osaka Cotton Yarn<br>(20, single, per lb.)            |       |              |                                |       |              |                                    |
|-----------------|---|-------|--------------|--------------------------------|-------|--------------|------------------------------------|---|-------|--------------|--------------------------------|-------|--------------|------------------------------------|
|                 | Current Month<br>(In yen)                               |       |              | Futures (6 months)<br>(In yen) |       |              | Turnover<br>(In 100)<br><i>mai</i> | Current Month<br>(In yen)                             |       |              | Futures (6 months)<br>(In yen) |       |              | Turnover<br>(In 100)<br><i>mai</i> |
|                 | High  | Low   | End of Month | High                           | Low   | End of Month |                                    | High  | Low   | End of Month | High                           | Low   | End of Month |                                    |
| 1956: May ..... | 222.6   | 198.5 | 206.5        | 210.0                          | 178.3 | 181.9        | 100                                | 219.3   | 194.9 | 200.0        | 208.5                          | 177.0 | 179.7        | 719                                |
| June .....      | 212.9   | 192.6 | 212.9        | 190.0                          | 178.9 | 181.5        | 59                                 | 204.4   | 189.1 | 201.9        | 184.2                          | 175.1 | 179.0        | 506                                |
| July .....      | 201.0   | 182.7 | 182.7        | 180.9                          | 164.5 | 164.5        | 83                                 | 196.9   | 173.1 | 174.5        | 179.9                          | 163.1 | 163.1        | 750                                |
| August .....    | 192.2   | 175.0 | 182.4        | 177.5                          | 166.1 | 174.5        | 92                                 | 186.0   | 168.5 | 180.0        | 170.8                          | 163.1 | 168.5        | 334                                |
| September ..... | 193.9   | 187.2 | 189.3        | 184.0                          | 171.0 | 184.0        | 76                                 | 192.5   | 182.0 | 192.5        | 179.3                          | 166.9 | 179.3        | 353                                |
| October .....   | 193.1   | 185.0 | 185.0        | 184.9                          | 171.0 | 178.3        | 70                                 | 191.9   | 184.6 | 186.0        | 179.6                          | 168.9 | 174.9        | 275                                |
| November .....  | 196.4   | 186.0 | 191.9        | 196.0                          | 182.0 | 191.0        | 71                                 | 200.0   | 184.0 | 195.0        | 192.0                          | 176.5 | 188.0        | 490                                |
| December .....  | 193.0   | 187.0 | 190.5        | 191.1                          | 181.7 | 186.2        | 34                                 | 193.3   | 184.9 | 187.4        | 188.9                          | 180.0 | 182.5        | 201                                |
| Year & Month    | Tokyo Rayon Staple<br>(Viscose 120 D. per lb.)          |       |              |                                |       |              |                                    | Osaka Rayon Staple<br>(Viscose 120 D. per lb.)        |       |              |                                |       |              |                                    |
|                 | Current Month<br>(In yen)                               |       |              | Futures (6 months)<br>(In yen) |       |              | Turnover<br>(In 100)<br><i>mai</i> | Current Month<br>(In yen)                             |       |              | Futures (6 months)<br>(In yen) |       |              | Turnover<br>(In 100)<br><i>mai</i> |
|                 | High  | Low   | End of Month | High                           | Low   | End of Month |                                    | High  | Low   | End of Month | High                           | Low   | End of Month |                                    |
| 1956: May ..... | 266.9   | 238.1 | 242.5        | 240.5                          | 213.5 | 216.5        | 690                                | 267.0   | 235.5 | 241.0        | 242.0                          | 211.0 | 213.1        | 849                                |
| June .....      | 283.0   | 230.0 | 274.9        | 232.2                          | 213.0 | 220.0        | 445                                | 285.9   | 227.5 | 283.0        | 230.1                          | 210.0 | 219.0        | 884                                |
| July .....      | 275.9   | 251.1 | 269.9        | 224.8                          | 208.9 | 215.1        | 389                                | 290.0   | 251.9 | 290.0        | 222.9                          | 210.5 | 212.1        | 685                                |
| August .....    | 279.8   | 251.5 | 279.8        | 225.1                          | 213.9 | 223.5        | 324                                | 277.9   | 250.1 | 277.9        | 223.9                          | 209.7 | 220.0        | 623                                |
| September ..... | 279.9   | 246.9 | 269.9        | 241.8                          | 221.1 | 241.8        | 397                                | 290.0   | 242.6 | 290.0        | 238.1                          | 219.5 | 238.1        | 840                                |
| October .....   | 266.3   | 222.1 | 240.9        | 241.9                          | 217.8 | 230.0        | 534                                | 266.9   | 215.0 | 231.5        | 244.5                          | 215.6 | 227.1        | 994                                |
| November .....  | 272.4   | 239.9 | 250.0        | 257.5                          | 235.0 | 255.9        | 729                                | 270.5   | 235.9 | 251.0        | 258.9                          | 235.6 | 252.9        | 1,161                              |
| December .....  | 263.0   | 244.1 | 245.2        | 255.7                          | 241.6 | 245.0        | 357                                | 262.1   | 241.5 | 246.0        | 254.1                          | 238.1 | 242.1        | 491                                |
| Year & Month    | Nagoya Spun Rayon Yarn<br>(30s bright, per lb.)         |       |              |                                |       |              |                                    | Osaka Spun Rayon Yarn<br>(30s bright, per lb.)        |       |              |                                |       |              |                                    |
|                 | Current Month<br>(In yen)                               |       |              | Futures (6 months)<br>(In yen) |       |              | Turnover<br>(In 100)<br><i>mai</i> | Current Month<br>(In yen)                             |       |              | Futures (6 months)<br>(In yen) |       |              | Turnover<br>(In 100)<br><i>mai</i> |
|                 | High  | Low   | End of Month | High                           | Low   | End of Month |                                    | High  | Low   | End of Month | High                           | Low   | End of Month |                                    |
| 1956: May ..... | 160.2   | 154.9 | 154.9        | 154.7                          | 141.8 | 142.0        | 5                                  | 159.9   | 149.1 | 158.6        | 153.5                          | 139.9 | 141.2        | 13                                 |
| June .....      | 159.9   | 150.7 | 159.9        | 148.5                          | 141.4 | 145.1        | 4                                  | 158.4   | 151.0 | 156.1        | 147.9                          | 139.8 | 142.0        | 18                                 |
| July .....      | 155.5   | 148.9 | 148.9        | 145.9                          | 130.4 | 130.4        | 4                                  | 154.9   | 150.9 | 154.9        | 141.9                          | 125.6 | 125.6        | 75                                 |
| August .....    | 149.4   | 140.5 | 148.6        | 134.5                          | 129.5 | 132.4        | 4                                  | 152.9   | 142.9 | 151.5        | 132.9                          | 126.1 | 131.7        | 75                                 |
| September ..... | 147.5   | 145.6 | 146.0        | 135.9                          | 131.4 | 135.9        | 4                                  | 151.2   | 148.4 | 149.0        | 136.5                          | 130.1 | 135.9        | 69                                 |
| October .....   | 143.0   | 133.0 | 135.8        | 136.5                          | 125.3 | 129.0        | 20                                 | 147.9   | 131.1 | 131.5        | 137.7                          | 124.9 | 128.2        | 37                                 |
| November .....  | 140.4   | 136.0 | 140.0        | 137.5                          | 130.1 | 132.9        | 17                                 | 139.9   | 134.9 | 139.9        | 138.3                          | 124.0 | 132.6        | 34                                 |
| December .....  | 138.6   | 134.9 | 135.9        | 138.4                          | 127.3 | 128.3        | 14                                 | 138.0   | 135.1 | 137.9        | 132.9                          | 127.5 | 129.0        | 26                                 |
| Year & Month    | Yokohama Raw Silk<br>(21 A, per <i>kin</i> )            |       |              |                                |       |              |                                    | Kobe Raw Silk<br>(21 A, per <i>kin</i> )              |       |              |                                |       |              |                                    |
|                 | Current Month<br>(In yen)                               |       |              | Futures (6 months)<br>(In yen) |       |              | Turnover<br>(In 100)<br><i>hyo</i> | Current Month<br>(In yen)                             |       |              | Futures (6 months)<br>(In yen) |       |              | Turnover<br>(In 100)<br><i>hyo</i> |
|                 | High  | Low   | End of Month | High                           | Low   | End of Month |                                    | High  | Low   | End of Month | High                           | Low   | End of Month |                                    |
| 1956: May ..... | 2,154   | 2,029 | 2,071        | 2,120                          | 2,055 | 2,071        | 66                                 | 2,152   | 2,031 | 2,031        | 2,124                          | 2,053 | 2,075        | 24                                 |
| June .....      | 2,108   | 2,051 | 2,066        | 2,112                          | 2,060 | 2,067        | 48                                 | 2,101   | 2,040 | 2,079        | 2,119                          | 2,062 | 2,072        | 13                                 |
| July .....      | 2,059   | 1,926 | 1,941        | 2,072                          | 1,986 | 2,000        | 65                                 | 2,065   | 1,940 | 1,942        | 2,075                          | 1,996 | 2,000        | 22                                 |
| August .....    | 1,990   | 1,889 | 1,897        | 2,019                          | 1,960 | 1,985        | 50                                 | 1,998   | 1,895 | 1,895        | 2,019                          | 1,965 | 1,986        | 19                                 |
| September ..... | 1,941   | 1,902 | 1,936        | 2,035                          | 1,963 | 2,035        | 71                                 | 1,945   | 1,907 | 1,945        | 2,030                          | 1,960 | 2,030        | 22                                 |
| October .....   | 2,093   | 2,000 | 2,028        | 2,090                          | 2,042 | 2,065        | 102                                | 2,090   | 1,995 | 2,028        | 2,094                          | 2,010 | 2,060        | 34                                 |
| November .....  | 2,078   | 2,000 | 2,010        | 2,105                          | 2,055 | 2,080        | 52                                 | 2,085   | 2,001 | 2,016        | 2,105                          | 2,053 | 2,074        | 17                                 |
| December .....  | 2,030   | 2,001 | 2,004        | 2,089                          | 2,052 | 2,075        | 48                                 | 2,039   | 1,995 | 1,995        | 2,080                          | 2,056 | 2,072        | 16                                 |
| Year & Month    | Toyohashi Cocoon<br>(High grade, per 100 <i>momme</i> ) |       |              |                                |       |              |                                    | Nagoya Woollen Yarn<br>(48, double, A grade, per lb.) |       |              |                                |       |              |                                    |
|                 | Current Month<br>(In yen)                               |       |              | Futures (6 months)<br>(In yen) |       |              | Turnover<br>(In 100)<br><i>mai</i> | Current Month<br>(In yen)                             |       |              | Futures (6 months)<br>(In yen) |       |              | Turnover<br>(In 100)<br><i>mai</i> |
|                 | High  | Low   | End of Month | High                           | Low   | End of Month |                                    | High  | Low   | End of Month | High                           | Low   | End of Month |                                    |
| 1956: May ..... | 460   | 421   | 460          | 470                            | 453   | 463          | 88                                 | 1,185   | 1,073 | 1,182        | 1,130                          | 1,002 | 1,030        | 993                                |
| June .....      | 429   | 402   | 402          | 478                            | 464   | 465          | 80                                 | 1,209   | 1,143 | 1,186        | 1,110                          | 1,025 | 1,046        | 654                                |
| July .....      | 399   | 349   | 357          | 464                            | 445   | 453          | 101                                | 1,144   | 949   | 959          | 1,052                          | 946   | 951          | 755                                |
| August .....    | 383   | 347   | 347          | 471                            | 455   | 464          | 53                                 | 1,045   | 955   | 1,026        | 1,019                          | 951   | 1,010        | 465                                |
| September ..... | 452   | 428   | 452          | 493                            | 461   | 493          | 65                                 | 1,097   | 1,056 | 1,097        | 1,085                          | 1,008 | 1,085        | 515                                |
| October .....   | 476   | 456   | 476          | 509                            | 493   | 505          | 73                                 | 1,149   | 1,080 | 1,149        | 1,129                          | 1,040 | 1,107        | 550                                |
| November .....  | 494   | 469   | 469          | 524                            | 505   | 509          | 63                                 | 1,277   | 1,139 | 1,181        | 1,207                          | 1,140 | 1,194        | 999                                |
| December .....  | 485   | 469   | 485          | 509                            | 482   | 489          | 44                                 | 1,233   | 1,087 | 1,112        | 1,210                          | 1,095 | 1,112        | 699                                |

Note: *mai*=cotton yarn....400 lbs., rayon yarn and spun rayon yarn....200 lbs., woollen yarn....100 lbs., cocoon....10 *kan* (1 *kan*=8.267 lbs.), rubber....250 lbs., *hyo*=raw silk....99.2 lbs., *kin*=raw silk....160 *momme*.

## 20. Exports and Imports by Value and Indices

(1934-36=100 for indices)

| Year & Month         | Value (In \$1,000) |           |           | Value (In million yen) |         |           |
|----------------------|--------------------|-----------|-----------|------------------------|---------|-----------|
|                      | Exports            | Imports   | Balance   | Exports                | Imports | Balance   |
| 1954 Total .....     | 1,629,236          | 2,399,404 | ↔ 770,168 | 586,525                | 863,785 | ↔ 277,260 |
| 1955 Total .....     | 2,010,600          | 2,471,430 | ↔ 460,831 | 723,816                | 889,715 | ↔ 165,899 |
| 1956: July .....     | 197,783            | 276,447   | ↔ 78,624  | 71,202                 | 99,645  | ↔ 28,443  |
| August .....         | 217,192            | 288,997   | ↔ 71,805  | 78,189                 | 104,039 | ↔ 25,850  |
| September .....      | 205,228            | 258,926   | ↔ 53,758  | 73,856                 | 93,223  | ↔ 19,367  |
| October .....        | 233,922            | 304,769   | ↔ 70,847  | 84,221                 | 109,729 | ↔ 25,507  |
| November .....       | 216,067            | 281,994   | ↔ 65,927  | 77,784                 | 101,518 | ↔ 23,734  |
| December .....       | 271,950            | 318,386   | ↔ 46,436  | 97,902                 | 114,619 | ↔ 16,716  |
| 1955: December ..... | 248,828            | 236,214   | 12,614    | 89,578                 | 85,037  | 4,541     |

## 21. Foreign Exchange Receipts and Payments by Month

(In 1,000 dollars)

| Year & Month         | Receipts  |           |           | Payments  |           |           | Balance   |
|----------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|                      | Exports   | Invisible | Total     | Imports   | Invisible | Total     |           |
| 1951 Total .....     | 1,297,324 | 943,257   | 2,240,580 | 1,725,110 | 184,167   | 1,909,277 | 331,303   |
| 1952 Total .....     | 1,289,185 | 949,942   | 2,239,127 | 1,718,361 | 206,454   | 1,924,815 | 314,312   |
| 1953 Total .....     | 1,156,399 | 963,638   | 2,120,037 | 2,100,998 | 212,718   | 2,313,716 | ↔ 193,679 |
| 1954 Total .....     | 1,532,478 | 776,786   | 2,309,264 | 1,961,680 | 247,616   | 2,209,296 | 99,967    |
| 1955 Total .....     | 1,954,169 | 713,475   | 2,667,645 | 1,848,224 | 325,622   | 2,173,846 | 493,798   |
| 1956: May .....      | 178,426   | 67,032    | 245,458   | 181,554   | 35,449    | 217,004   | 28,454    |
| June .....           | 223,223   | 71,937    | 295,161   | 205,603   | 47,622    | 253,225   | 41,935    |
| July .....           | 204,621   | 69,839    | 274,461   | 242,829   | 43,607    | 286,477   | ↔ 11,976  |
| August .....         | 212,713   | 69,842    | 282,556   | 232,463   | 50,610    | 283,070   | 516       |
| September .....      | 187,968   | 68,839    | 256,807   | 207,036   | 30,908    | 237,945   | 18,862    |
| October .....        | 215,857   | 73,504    | 289,362   | 221,399   | 42,648    | 264,048   | 25,314    |
| November .....       | 197,863   | 71,958    | 269,821   | 234,695   | 34,593    | 269,289   | 532       |
| 1955: November ..... | 178,778   | 61,616    | 240,394   | 142,043   | 29,690    | 171,734   | 68,660    |

## 22. Exports and Imports by Settlement Area

(In 1,000 dollars)

| Year & Month        | Exports   |         |          |              | Imports   |           |          |              |
|---------------------|-----------|---------|----------|--------------|-----------|-----------|----------|--------------|
|                     | Total     | Dollar  | Sterling | Open Account | Total     | Dollar    | Sterling | Open Account |
| 1954 Total .....    | 1,629,236 | 560,922 | 492,758  | 575,556      | 2,399,404 | 1,411,067 | 433,185  | 554,923      |
| 1955 Total .....    | 2,010,600 | 816,440 | 649,081  | 545,050      | 2,471,430 | 1,322,027 | 599,514  | 539,773      |
| 1956: May .....     | 194,958   | 84,242  | 75,047   | 35,654       | 271,747   | 144,254   | 89,397   | 38,093       |
| June .....          | 210,742   | 96,971  | 72,190   | 40,415       | 280,402   | 156,062   | 88,977   | 35,332       |
| July .....          | 197,784   | 89,674  | 68,351   | 39,749       | 276,448   | 146,389   | 96,240   | 33,814       |
| August .....        | 215,841   | 96,664  | 76,352   | 42,825       | 289,392   | 145,278   | 104,520  | 39,574       |
| September .....     | 205,229   | 91,293  | 73,514   | 40,420       | 258,986   | 141,972   | 84,100   | 32,908       |
| October .....       | 233,921   | 106,455 | 84,458   | 42,989       | 304,770   | 177,894   | 91,022   | 35,851       |
| 1955: October ..... | 188,903   | 79,056  | 58,884   | 50,963       | 201,597   | 112,568   | 51,046   | 39,966       |

## 23. Indices for Industrial Activities

(1934-36=100)

| Year & Month       | Industrial Activities |              |                           |               | Manufacturing  |               |              |                    |               |                  |                      |              |               |               |
|--------------------|-----------------------|--------------|---------------------------|---------------|----------------|---------------|--------------|--------------------|---------------|------------------|----------------------|--------------|---------------|---------------|
|                    | All                   | Public Works | Mining-Manu-<br>facturing | Mining        | All            | Food-stuff    | Textiles     | Printing & Binding | Chemicals     | Rubber & Leather | Wood & Wood Products | Ceramics     | Metals        | Machinery     |
| 1955 average ..... | (153)<br>187.9        | (2)<br>255.0 | (151)<br>180.7            | (10)<br>117.7 | (141)<br>189.4 | (12)<br>206.7 | (12)<br>85.9 | (1)<br>125.1       | (37)<br>318.4 | (10)<br>177.5    | (2)<br>184.7         | (7)<br>174.8 | (18)<br>218.7 | (42)<br>249.7 |
| 1956: April .....  | 219.4                 | 295.4        | 211.2                     | 125.8         | 222.8          | 213.9         | 95.7         | 127.9              | 390.4         | 199.8            | 203.0                | 214.0        | 263.4         | 323.4         |
| May .....          | 220.4                 | 298.0        | 212.2                     | 130.6         | 223.3          | 219.5         | 96.0         | 133.7              | 391.4         | 198.4            | 206.7                | 212.2        | 265.8         | 313.9         |
| June .....         | 223.3                 | 284.9        | 215.4                     | 130.6         | 226.9          | 220.0         | 101.0        | 135.0              | 380.2         | 207.2            | 202.4                | 205.2        | 269.2         | 339.1         |
| July .....         | 227.5                 | 292.0        | 219.3                     | 131.8         | 231.2          | 234.3         | 103.4        | 142.8              | 379.5         | 207.9            | 208.3                | 212.2        | 265.3         | 352.9         |
| August .....       | 228.1                 | 280.2        | 220.2                     | 125.6         | 233.0          | 231.8         | 102.1        | 143.2              | 369.0         | 226.9            | 219.6                | 217.8        | 268.6         | 377.2         |
| September .....    | 232.9                 | 283.4        | 224.9                     | 131.3         | 238.9          | 214.1         | 107.1        | 139.7              | 356.5         | 240.5            | 223.3                | 224.5        | 278.7         | 411.3         |
| October .....      | 233.6                 | 302.2        | 225.1                     | 141.5         | 236.6          | 218.5         | 109.3        | 140.3              | 354.7         | 225.2            | 226.5                | 233.4        | 267.0         | 403.7         |
| November .....     | 235.9                 | 308.1        | 227.4                     | 140.3         | 239.3          | 223.0         | 108.9        | 136.6              | 349.6         | 247.6            | 226.5                | 237.0        | 293.5         | 404.4         |

Note: \* Revised at source.

Source: Table 20, Finance Ministry for value and Economic Planning Board, for indices; Table 21 Foreign Exchange Control Dept., Bank of Japan; Table 22, Ministry of Finance; Table 23, Economic Planning Board.



## 24. Coal Supply & Demand

(1,000 metric tons)

| Year & Month         | Carry-overs | Coal Output | Losses   | Supply Total | Demand   |           |          | Month-end Stocks |         |           |         |
|----------------------|-------------|-------------|----------|--------------|----------|-----------|----------|------------------|---------|-----------|---------|
|                      |             |             |          |              | Delivery | Others    | Total    | At Collieries    | At Port | At Market | Total   |
| 1956: August .....   | 2,126.3     | 3,667.6     | (*) 4.9  | 5,798.8      | 3,927.5  | (*) 201.3 | 3,726.2  | 486.4            | 451.5   | 1,134.7   | 2,072.6 |
| September .....      | 2,072.6     | 3,888.2     | (*) 12.4 | 5,973.2      | 4,153.2  | (*) 80.3  | 4,072.9  | 478.0            | 481.8   | 940.5     | 1,900.3 |
| October .....        | 1,900.3     | 4,262.0     | (*) 7.8  | 6,170.1      | 4,354.9  | (*) 113.6 | 4,241.3  | 517.4            | 505.3   | 900.1     | 1,928.8 |
| 1956: Apr.-Oct. .... | 1,166.0     | 27,368.6    | (*) 66.0 | 28,600.6     | 27,321.0 | (*) 649.2 | 26,671.8 | 517.4            | 505.3   | 900.1     | 1,928.8 |
| 1955: Apr.-Oct. .... | 2,892.8     | 24,147.0    | (*) 49.1 | 27,088.9     | 24,157.1 | (*) 184.8 | 23,972.3 | 1,887.1          | 1,957.4 | 2,348.0   | 3,116.6 |

## 25. Electric Energy Consumption (1,000 KWH)

| Supplied by Power Companies (Over 500 kw) |           |           |           |           | Industries                             | Self-generated |         |         |         |         |
|---|-----------|-----------|-----------|-----------|--|----------------|---------|---------|---------|---------|
| 1956                                      |           |           |           |           |  | 1956           |         |         |         |         |
| May                                       | June      | July      | August    | September |  | April          | May     | June    | July    | August  |
| 231,310                                   | 228,940   | 237,537   | 235,166   | 239,689   | Mining .....                           | 52,792         | 44,849  | 84,708  | 48,764  | 42,548  |
| 33,560                                    | 34,764    | 36,784    | 36,763    | 34,835    | Foodstuffs .....                       | 583            | 685     | 825     | 776     | 523     |
| 164,598                                   | 165,855   | 176,013   | 174,125   | 175,743   | Spinning .....                         | 1,108          | 1,077   | 1,054   | 1,005   | 942     |
| 207,320                                   | 208,636   | 212,897   | 210,625   | 213,593   | Paper & Pulp .....                     | 63,317         | 64,524  | 63,909  | 63,449  | 67,339  |
| 981,191                                   | 913,979   | 918,223   | 753,042   | 772,152   | Chemicals .....                        | 227,604        | 240,850 | 237,923 | 246,129 | 217,639 |
| 12,241                                    | 13,290    | 13,517    | 13,478    | 12,817    | Oil & Coal Products .....              | 2,133          | 2,523   | 2,231   | 2,234   | 2,672   |
| 17,898                                    | 18,147    | 18,694    | 19,282    | 20,157    | Rubber Goods .....                     | —              | —       | —       | —       | —       |
| 57,077                                    | 57,789    | 59,337    | 58,502    | 63,935    | Glass & Ceramics .....                 | 124,493        | 116,740 | 109,074 | 109,099 | 111,665 |
| 604,922                                   | 591,994   | 608,572   | 559,321   | 566,878   | Primary Metals .....                   | 234,155        | 294,847 | 252,919 | 247,798 | 231,177 |
| 6,933                                     | 6,815     | 7,187     | 7,183     | 7,396     | Metal Products .....                   | —              | —       | —       | —       | —       |
| 32,721                                    | 33,953    | 34,419    | 35,442    | 36,678    | Machinery .....                        | 154            | 300     | 214     | 140     | 483     |
| 54,809                                    | 55,589    | 54,891    | 55,060    | 57,593    | Electric Machinery & Tools .....       | —              | —       | —       | —       | —       |
| 66,690                                    | 68,628    | 68,239    | 71,534    | 73,615    | Transportation Machinery & Tools ..... | —              | —       | —       | —       | —       |
| 10,120                                    | 10,820    | 11,680    | 12,062    | 11,552    | Other Manufacturing .....              | —              | —       | —       | —       | —       |
| 2,250,080                                 | 2,180,259 | 2,220,453 | 2,006,519 | 2,046,944 | Manufacturing Total .....              | 653,547        | 676,546 | 668,149 | 670,630 | 632,440 |
| 267,210                                   | 254,361   | 264,988   | 269,616   | 262,911   | Public Utilities .....                 | 209            | 216     | 210     | 202     | 211     |
| 95,211                                    | 104,715   | 113,500   | 114,151   | 105,374   | Others .....                           | —              | —       | —       | —       | —       |
| 2,843,811                                 | 2,768,275 | 5,835,978 | 2,625,452 | 2,654,918 | Total .....                            | 706,548        | 721,674 | 717,282 | 719,737 | 675,318 |

## 26. Supply & Demand of Raw Silk

(In bales=123 lbs.)

| Year & Month                | Raw Silk   |         |                     |                     | Silk Fabrics     |                     |            |         |
|-----------------------------|------------|---------|---------------------|---------------------|------------------|---------------------|------------|---------|
|                             | Production | Exports | Domestic Deliveries | Stocks at Month-end | U.S. Consumption |                     | Production | Exports |
|                             |            |         |                     |                     | Consumption      | Stocks at Month-end |            |         |
| 1956: April .....           | 22,806     | 6,408   | 17,800              | 16,649              | 4,757            | 9,702               | 14,396     | 2,587   |
| May .....                   | 20,306     | 4,256   | 17,891              | 14,808              | 5,048            | 9,626               | 15,227     | 3,173   |
| June .....                  | 20,903     | 4,415   | 17,174              | 14,122              | 4,627            | 9,421               | 15,791     | 3,511   |
| July .....                  | 31,620     | 5,818   | 22,468              | 17,366              | 4,466            | 9,181               | 16,011     | 4,027   |
| August .....                | 29,969     | 7,987   | 21,212              | 17,746              | 4,976            | 8,661               | 15,438     | 3,740   |
| September .....             | 30,339     | 7,190   | 22,707              | 17,998              | 4,762            | 8,602               | 16,295     | ..      |
| October .....               | 30,000     | 6,756   | 22,071              | 19,171              | 6,189            | 8,225               | 17,231     | ..      |
| 1956: January-October ..... | 255,991    | 60,780  | 187,731             | —                   | 49,583           | —                   | 150,684    | 29,168  |
| 1955: January-October ..... | 233,706    | 68,127  | 162,216             | —                   | 44,008           | —                   | 154,153    | 20,285  |

## 27. Supply & Demand of Paper and Pulp

| Year & Month    | Pulp (long ton) |           |            |          | Paper, Western Style (in 1,000 pounds) |            |                  |          | Cardboard & Japanese Style Paper (in 1,000 pounds) |            |                  |          |
|-----------------|-----------------|-----------|------------|----------|--|------------|------------------|----------|--|------------|------------------|----------|
|                 | Production      | For Paper | Deliveries | In Stock | Production                             | Deliveries | Self-Consumption | In Stock | Production   | Deliveries | Self-Consumption | In Stock |
| 1956: Mar. .... | 179,059         | 96,510    | 86,267     | 32,611   | 285,249                                | 272,542    | 9,573            | 167,114  | 464,266  | 439,793    | 19,795           | 217,711  |
| Apr. ....       | 169,437         | 91,664    | 76,334     | 34,050   | 270,353                                | 261,834    | 8,597            | 176,036  | 448,280  | 430,931    | 19,002           | 216,058  |
| May ....        | 178,974         | 97,627    | 81,716     | 33,681   | 285,339                                | 276,940    | 9,859            | 165,575  | 472,401  | 453,190    | 21,183           | 214,086  |
| June ....       | 178,598         | 95,891    | 83,669     | 32,791   | 286,412                                | 279,505    | 9,445            | 163,036  | 469,894  | 451,983    | 22,218           | 209,778  |
| July ....       | 180,601         | 97,278    | 83,857     | 28,801   | 288,589                                | 289,806    | 9,680            | 152,139  | 474,644  | 469,061    | 22,512           | 192,849  |
| Aug. ....       | 185,420         | 99,171    | 85,904     | 29,146   | 296,560                                | 295,761    | 9,467            | 143,470  | 480,872  | 472,723    | 21,594           | 179,403  |
| Sept. ....      | 184,043         | 97,032    | 91,995     | 24,162   | 292,566                                | 290,281    | 9,634            | 136,122  | 486,380  | 474,429    | 22,178           | 169,177  |

## 28. Supply & Demand of Soda and Ammonium Sulphate

(In metric tons)

| Year & Month        | Ammonium Sulphate |            |          | Soda Ash   |            |          | Caustic Soda |            |          |
|---------------------|-------------------|------------|----------|------------|------------|----------|--------------|------------|----------|
|                     | Production        | Deliveries | In Stock | Production | Deliveries | In Stock | Production   | Deliveries | In Stock |
| 1956: April .....   | 202,515           | 203,281    | 93,634   | 30,744     | 28,019     | 5,126    | 50,683       | 43,509     | 7,738    |
| May .....           | 212,005           | 201,642    | 95,458   | 31,708     | 30,265     | 5,433    | 53,398       | 44,412     | 8,511    |
| June .....          | 206,610           | 162,709    | 132,245  | 31,606     | 29,163     | 7,087    | 52,874       | 44,879     | 8,913    |
| July .....          | 200,429           | 161,473    | 165,643  | 29,826     | 29,202     | 6,187    | 56,524       | 47,851     | 9,884    |
| August .....        | 182,244           | 200,051    | 138,836  | 30,486     | 27,052     | 7,979    | 56,262       | 47,620     | 11,006   |
| September .....     | 192,580           | 159,754    | 163,680  | 31,325     | 30,579     | 7,395    | 56,352       | 49,023     | 10,924   |
| October .....       | 200,932           | 181,530    | 175,240  | 32,603     | 31,931     | 6,571    | 59,738       | 51,477     | 11,517   |
| 1955: October ..... | 175,501           | 168,144    | 114,049  | 29,368     | 28,192     | 4,930    | 47,842       | 39,161     | 9,537    |

Sources: 24. MITI 25. Public Utilities Bureau. 26. Central Raw Silk Association. 27. MITI. 28. MITI. \* Revised at source.

## 29. Supply &amp; Demand of Pig-iron and Steel Materials

(In tons)

(MTI)

| Year & Month          | Pig iron   |            |          | Steel Materials |            |          |               |            |          |
|-----------------------|------------|------------|----------|-----------------|------------|----------|---------------|------------|----------|
|                       | Production | Deliveries | In Stock | Steel           |            |          | Special Steel |            |          |
|                       |            |            |          | Production      | Deliveries | In Stock | Production    | Deliveries | In Stock |
| 1955: Total .....     | 5,216,766  | 1,204,402  | 88,819   | 6,931,774       | 5,363,447  | 281,393  | 318,616       | 238,824    | 24,463   |
| 1956: May .....       | 514,527    | 111,015    | 152,676  | 675,410         | 523,418    | 274,991  | 37,474        | 29,629     | 22,072   |
| June .....            | 476,876    | 115,049    | 123,554  | 677,921         | 512,063    | 277,546  | 40,084        | 31,926     | 21,477   |
| July .....            | 483,032    | 102,571    | 102,219  | 685,542         | 537,568    | 267,859  | 42,297        | 33,109     | 19,305   |
| August .....          | 501,253    | 105,882    | 73,427   | 694,212         | 544,177    | 268,992  | 42,450        | 30,414     | 20,117   |
| September .....       | 517,342    | 109,349    | 77,760   | 693,753         | 521,431    | 278,069  | 46,438        | 33,227     | 21,345   |
| 1955: September ..... | 426,391    | 81,293     | 91,107   | 552,265         | 485,801    | 328,741  | 28,667        | 20,835     | 24,078   |

## 30. Department Store Sales

(In million yen)

(MTI)

|             | By Month             | No. of Stores | Total  | Clothing | Sundry Goods | Household Utensils | Provisions | Dining Room | Services | Outside Store Sales | Others | Gift Certificates |
|-------------|----------------------|---------------|--------|----------|--------------|--------------------|------------|-------------|----------|---------------------|--------|-------------------|
| Total ..... | 1956: February ..... | 158           | 14,532 | 6,537    | 3,048        | 1,510              | 2,507      | 445         | 143      | 170                 | 171    | 176               |
|             | March .....          | 158           | 20,314 | 9,821    | 4,412        | 1,931              | 3,011      | 613         | 194      | 35                  | 295    | 298               |
|             | April .....          | 160           | 19,620 | 9,068    | 4,445        | 2,066              | 2,928      | 612         | 178      | 18                  | 304    | 222               |
|             | May .....            | 161           | 17,624 | 7,997    | 3,724        | 2,044              | 2,795      | 573         | 162      | 16                  | 312    | 158               |
|             | June .....           | 161           | 18,107 | 8,741    | 3,605        | 2,245              | 2,555      | 531         | 137      | 18                  | 234    | 190               |
|             | July .....           | 161           | 23,690 | 10,630   | 4,639        | 2,699              | 4,595      | 655         | 134      | 26                  | 312    | 701               |
|             | August .....         | 163           | 17,816 | 6,691    | 3,813        | 2,027              | 4,104      | 702         | 139      | 24                  | 272    | 444               |
|             | September .....      | 163           | 15,647 | 7,188    | 3,264        | 1,758              | 2,507      | 525         | 135      | 19                  | 252    | 150               |
|             | October .....        | 166           | 20,876 | 10,675   | 3,846        | 2,356              | 2,947      | 587         | 193      | 21                  | 252    | 184               |

## 31. JPA Procurement Contracts

(In \$1,000)

| Year & Month         | Contracts (Weekly total) |             |          | Cumulative total as from June 26, 1950 |             |          |
|----------------------|--------------------------|-------------|----------|--|-------------|----------|
|                      | Total                    | Merchandise | Services | Total                                  | Merchandise | Services |
| 1951 Average .....   | 29,470                   | 21,209      | 8,261    | —                                      | —           | —        |
| 1952 " .....         | 20,335                   | 13,830      | 6,505    | —                                      | —           | —        |
| 1953 " .....         | 27,359                   | 17,523      | 9,836    | —                                      | —           | —        |
| 1954 " .....         | 19,761                   | 9,975       | 9,786    | —                                      | —           | —        |
| 1955 " .....         | 14,815                   | 5,566       | 9,249    | —                                      | —           | —        |
| 1956: February ..... | 6,913                    | 2,951       | 3,962    | 1,723,023                              | 1,007,559   | 715,464  |
| March .....          | 8,251                    | 4,788       | 3,463    | 1,730,986                              | 1,012,320   | 718,666  |
| April .....          | 14,494                   | 7,644       | 6,850    | 1,745,210                              | 1,019,891   | 725,319  |
| May .....            | 14,843                   | 9,275       | 5,568    | 1,759,849                              | 1,029,027   | 730,822  |
| June .....           | 19,810                   | 10,335      | 9,475    | 1,781,728                              | 1,039,421   | 724,307  |
| July .....           | 34,992                   | 7,614       | 27,378   | 1,816,614                              | 1,046,982   | 769,632  |
| August .....         | 19,498                   | 2,540       | 16,956   | 1,834,992                              | 1,050,149   | 784,843  |
| September .....      | 4,857                    | 2,343       | 2,514    | 1,838,825                              | 1,052,312   | 786,513  |
| October .....        | 14,625                   | 6,405       | 8,246    | 1,853,255                              | 1,058,683   | 794,572  |

Source: Economic Planning Board.

## 32. JPA Procurement Payments

(In \$1,000)

| Year & Month          | Monthly |               |                | Cumulative total as from June 26, 1950 |               |                |
|-----------------------|---------|---------------|----------------|--|---------------|----------------|
|                       | Total   | U.S.'s Burden | Japan's Burden | Total                                  | U.S.'s Burden | Japan's Burden |
| 1954 Total .....      | 453,674 | 268,679       | 184,995        | —                                      | —             | —              |
| 1955 Total .....      | 355,664 | 233,875       | 121,789        | —                                      | —             | —              |
| 1956: July .....      | 28,286  | 23,286        | 5,000          | 2,473,352                              | 1,910,063     | 563,284        |
| August .....          | 29,930  | 24,930        | 5,000          | 2,503,282                              | 1,934,998     | 568,284        |
| September .....       | 34,403  | 24,403        | 10,000         | 2,537,685                              | 1,959,401     | 578,284        |
| 1955: September ..... | 31,950  | 23,477        | 8,473          | 2,200,126                              | 1,713,551     | 486,575        |

Source: American Embassy Economic Section.

## 33. Labor Population Survey

(In 1,000)

| Year & Month        | Total (1)<br>Population | Population 14 years old and over |                                      |                        |                             |                    |                    | Agriculture & Forestry |                   | Non-Agricultural Industry |                   |
|---------------------|-------------------------|----------------------------------|--------------------------------------|------------------------|-----------------------------|--------------------|--------------------|------------------------|-------------------|---------------------------|-------------------|
|                     |                         | Total (2)                        | Labor Force                          |                        |                             |                    | Not in Labor Force | Not at Work (3)        | At Piece-Work (4) | Not at Work (3)           | At Piece-Work (4) |
|                     |                         |                                  | Total of the following three columns | Agriculture & Forestry | Non-Agricultural Industries | Totally Unemployed |                    |                        |                   |                           |                   |
| 1953 Average .....  | 86,780                  | 58,310                           | 39,700                               | 17,130                 | 22,120                      | 450                | 18,620             | 260                    | 6,270             | 300                       | 3,360             |
| 1954 " .....        | 88,030                  | 59,280                           | 40,150                               | 16,670                 | 22,910                      | 580                | 19,080             | 250                    | 5,790             | 310                       | 3,360             |
| 1955 " .....        | 89,110                  | 60,920                           | 41,800                               | 17,150                 | 23,970                      | 680                | 19,010             | 240                    | 6,360             | 330                       | 3,790             |
| 1956: May .....     | 89,900                  | 62,510                           | 44,610                               | 18,960                 | 25,030                      | 620                | 17,820             | 210                    | 4,580             | 260                       | 3,220             |
| June .....          | 90,000                  | 62,600                           | 44,970                               | 19,730                 | 24,670                      | 570                | 17,560             | 230                    | 7,130             | 310                       | 3,060             |
| July .....          | 90,100                  | 62,700                           | 44,280                               | 18,530                 | 25,190                      | 570                | 18,320             | 230                    | 4,950             | 440                       | 3,360             |
| August .....        | 90,200                  | 62,810                           | 43,380                               | 17,700                 | 25,110                      | 570                | 19,360             | 230                    | 7,360             | 440                       | 3,830             |
| September .....     | 90,300                  | 62,920                           | 43,140                               | 17,340                 | 25,240                      | 560                | 19,710             | 200                    | 6,330             | 300                       | 3,290             |
| October .....       | 90,300                  | 63,030                           | 44,380                               | 18,570                 | 25,300                      | 510                | 18,630             | 130                    | 5,230             | 280                       | 3,270             |
| 1955: October ..... | 89,400                  | 61,440                           | 44,110                               | 19,140                 | 24,250                      | 720                | 17,240             | 140                    | 5,320             | 320                       | 3,500             |

Notes: (1) Since August, 1950, total population is the estimated total population as of the 1st of next month.

(2) Including persons whose labor force status was unknown.

(3) Among the persons holding jobs but not at work during the survey week, the following are defined as not at work: self-employed workers are not at work provided that their employees or unpaid family workers are engaged in their business during the survey week; employees are not at work provided that either they received or are expected to receive payment.

(4) Those whose working hours total only 1-34 hours in a week.

Source: Bureau of Statistics, Office of the Prime Minister.



## 34. Spot Quotations on Tokyo Securities Exchange

| Names of Shares                 | Au-<br>thorized<br>(Paid-up)<br>Capital<br>In mil-<br>lion yen | Divi-<br>dends | 1956     |     | 1957       | Names of Shares               | Au-<br>thorized<br>(Paid-up)<br>Capital<br>In mil-<br>lion yen | Divi-<br>dends | 1956     |       | 1957       |
|---------------------------------|--|----------------|----------|-----|------------|-------------------------------|--|----------------|----------|-------|------------|
|                                 |  |                | December |     | Jan.<br>16 |                               |  |                | December |       | Jan.<br>16 |
|                                 |  |                | High     | Low |            |                               |  |                | High     | Low   |            |
| Transportation                  |  |                |          |     |            |                               |  |                |          |       |            |
| Iino Kaiun .....                | 6,600  | 8              | 103      | 90  | 100        | Ajinomoto .....               | 2,296  | 25             | 221      | 202   | 206        |
| Mitsubishi Shipping .....       | 4,800  | 8              | 107      | 93  | 102        | Asahi Breweries .....         | 1,825  | 20             | 198      | 193   | 153        |
| Mitsui Steamship .....          | 5,500  | —              | 94       | 74  | 89         | Dainippon Sugar Mfg. ....     | 720  | 25             | 166      | 148   | 165        |
| Nippon Express .....            | 7,200  | 16             | 255      | 238 | 253        | Honen Oil .....               | 1,000  | 20             | 170      | 152   | 151        |
| Nitto Shosen .....              | 6,000  | 8              | 106      | 92  | 101        | Japan Beet Sugar Mfg. ....    | 675  | 20             | 126      | 110   | 114        |
| N.Y.K. ....                     | 11,400   | —              | 77       | 70  | 74         | Japan Distilling .....        | 1,100  | 20             | 110      | 100   | 105        |
| O.S.K. ....                     | 7,600  | —              | 74       | 63  | 69         | Kirin Brewery .....           | 1,845  | 22             | 187      | 173   | 174        |
| Tobu Railway .....              | 1,600  | 13             | 112      | 110 | 118        | Meiji Confectionery .....     | 840  | 27             | 141      | 131   | 139        |
| Tokyo El. Express Railway ..    | 3,000  | 15             | 104      | 100 | 111        | Meiji Sugar Mfg. ....         | 500  | 30             | 166      | 151   | 168        |
| Mining & Oil                    |  |                |          |     |            |                               |  |                |          |       |            |
| Dowa Mining .....               | 1,500  | 25             | 160      | 145 | 154        | Morinaga Confectionery .....  | 750  | 20             | 175      | 163   | 180        |
| Furukawa Mining .....           | 2,100  | 12             | 113      | 107 | 110        | Nippon Breweries .....        | 1,825  | 20             | 184      | 177   | 140        |
| Maruzen Oil .....               | 2,625  | 20             | 132      | 117 | 140        | Nippon Cold Storage .....     | 2,000  | 16             | 109      | 100   | 104        |
| Mitsui Mining & Smelting ....   | 2,400  | 18             | 124      | 115 | 122        | Nippon Flour Mills .....      | 264  | 20             | 108      | 103   | 120        |
| Mitsubishi Mining .....         | 2,700  | 12             | 122      | 103 | 130        | Nippon Suisan .....           | 3,500  | 15             | 112      | 99    | 108        |
| Mitsubishi Metal Mining .....   | 2,730  | 18             | 126      | 115 | 122        | Nissin Flour Milling .....    | 1,000  | 16             | 127      | 120   | 138        |
| Mitsubishi Oil .....            | 2,400  | 20             | 134      | 122 | 146        | Nissin Oil Mills .....        | 750  | 25             | 156      | 153   | 125        |
| Mitsui Mining .....             | 1,200  | —              | 183      | 151 | 191        | Noda Soy Sauce .....          | 800  | 30             | 259      | 233   | 232        |
| Nihon Mining .....              | 5,670  | 18             | 107      | 95  | 98         | Taito .....                   | 300  | 45             | 301      | 277   | 305        |
| Nippon Oil .....                | 4,500  | 15             | 98       | 93  | 102        | Takara Shuzo .....            | 3,927  | 20             | 125      | 117   | 130        |
| Showa Oil .....                 | 2,550  | 20             | 105      | 93  | 125        | Toyo Seito .....              | 333  | 30             | 223      | 175   | 188        |
| Sumitomo Coal Mining .....      | 1,200  | 10             | 125      | 97  | 131        | Chemicals                     |  |                |          |       |            |
| Sumitomo Metal Mining .....     | 2,145  | 18             | 127      | 114 | 122        | Dainippon Celluloid .....     | 2,000  | 15             | 120      | 99    | 105        |
| Teikoku Oil .....               | 2,000  | 12             | 95       | 84  | 88         | Electro Chemical .....        | 2,040  | 20             | 126      | 124   | 133        |
| Toa Nenryo Kogyo .....          | 3,159  | 25             | 185      | 168 | 189        | Kansai Paint .....            | 600  | 20             | 117      | 110   | 120        |
| Ube Industries .....            | 6,000  | 25             | 143      | 126 | 153        | Kyowa Fermentation Ind. ....  | 1,399  | 20             | 161      | 139   | 153        |
| Shipbuilding & Machinery        |  |                |          |     |            |                               |  |                |          |       |            |
| Canon Camera .....              | 400  | 25             | 189      | 180 | 202        | Mitsubishi Chem. Ind. ....    | 3,666  | 10             | 142      | 128   | 135        |
| Ebara Mfg. ....                 | 600  | 20             | 163      | 150 | 169        | Mitsui Chemical Ind. ....     | 1,600  | 15             | 150      | 138   | 146        |
| Fuji Electric .....             | 2,400  | 18             | 121      | 110 | 129        | Nippon Chem. & Medicine ..    | 800  | 20             | 120      | 108   | 109        |
| Furukawa Electric .....         | 3,000  | 12             | 104      | 90  | 108        | Nippon Soda .....             | 1,508  | 15             | 124      | 107   | 113        |
| Hitachi, Ltd. ....              | 10,000   | 18             | 119      | 108 | 124        | Nissan Chemical Ind. ....     | 2,000  | 13             | 80       | 74    | 81         |
| Ishikawajima Heavy Ind. ....    | 2,600  | 12             | 105      | 92  | 99         | Nitto Chem. Ind. ....         | 2,247  | 8              | 130      | 128   | 135        |
| Isuzu Motor .....               | 3,000  | 16             | 107      | 98  | 118        | Sankyo .....                  | 780  | 25             | 136      | 129   | 141        |
| Japan Precision Ind. ....       | 800  | 30             | 150      | 132 | 158        | Shin-etsu Chemical Ind. ....  | 980  | 15             | 118      | 102   | 104        |
| Koyo Seiko .....                | 700  | 15             | 98       | 88  | 102        | Shin Nippon Chisso Hiryo ..   | 2,400  | 15             | 117      | 104   | 101        |
| Mitsubishi Elec. Mfg. ....      | 5,400  | 15             | 109      | 94  | 107        | Showa Denko .....             | 4,400  | 15             | 146      | 133   | 142        |
| Mitsubishi Heavy Ind., Reorg. . | 5,600  | 12             | 121      | 108 | 116        | Sumitomo Chemical .....       | 4,000  | 15             | 165      | 149   | 164        |
| Mitsubishi Japan Heavy Ind. .   | 3,000  | 10             | 82       | 75  | 92         | Toa Gosei Chemical Ind. ....  | 2,400  | 20             | 162      | 141   | 151        |
| Mitsubishi Shipbldg. & Eng. .   | 5,600  | 12             | 108      | 94  | 117        | Toyo Koatsu Ind. ....         | 3,600  | 20             | 149      | 132   | 139        |
| Mitsui Shipbldg. & Eng. ....    | 2,240  | 16             | 116      | 104 | 114        | Toyo Soda .....               | 1,200  | 15             | 95       | 85    | 92         |
| Nippon Electric .....           | 2,000  | 15             | 100      | 91  | 99         | Miscellaneous                 |  |                |          |       |            |
| Nippon Kogaku .....             | 465  | 15             | 142      | 127 | 134        | Asahi Glass .....             | 5,000  | 20             | 180      | 157   | 171        |
| Nissan Motor .....              | 4,200  | 20             | 124      | 99  | 135        | Fuji Photo Film .....         | 2,500  | 20             | 155      | 140   | 145        |
| Tokyo Shibaura Electric .....   | 9,588  | 12             | 93       | 85  | 95         | Konishiroku Photo Industry .. | 1,800  | 20             | 100      | 93    | 98         |
| Toyo Bearing Mfg. ....          | 600  | 20             | 147      | 131 | 158        | Nippon Musical Instruments .. | 450  | 18             | 170      | 159   | 161        |
| Steel & Metal                   |  |                |          |     |            |                               |  |                |          |       |            |
| Fuji Iron & Steel .....         | 13,000   | 12             | 85       | 75  | 82         | Nippon Sheet Glass .....      | 1,200  | 20             | 233      | 218   | 236        |
| Kawasaki Steel .....            | 6,100  | 5              | 77       | 70  | 77         | Toyo Seikan .....             | (A) 400  | 20             | 1,740    | 1,680 | 1,745      |
| Kobe Steel Works .....          | 3,600  | 12             | 85       | 75  | 88         | Tokyo Rope .....              | 485  | 10             | 162      | 150   | 172        |
| Nippon Light Metal .....        | 2,995  | 10             | 178      | 166 | 173        | Yokohama Rubber .....         | 951  | 10             | 185      | 170   | 185        |
| Nippon Kokan Ind. ....          | 10,000   | 15             | 97       | 88  | 109        | Paper & Printing              |  |                |          |       |            |
| Sumitomo Metal Ind. ....        | 5,000  | 12             | 87       | 80  | 93         | Hokuetsu Paper Mills .....    | 900  | 10             | 69       | 66    | 76         |
| Yawata Iron & Steel .....       | 15,000   | 12             | 87       | 77  | 85         | Honshu Paper .....            | 2,000  | 8              | 101      | 94    | 99         |
| Textiles                        |  |                |          |     |            |                               |  |                |          |       |            |
| Asahi Chemical .....            | (B) 3,675  | 22             | 451      | 431 | 450        | Jujo Paper .....              | 1,120  | 30             | 311      | 285   | 300        |
| Chuo Textile .....              | 500  | 10             | 77       | 70  | 70         | Mitsubishi Paper Mills .....  | 1,080  | 15             | 105      | 94    | 107        |
| Dai Nippon Spinning .....       | 5,250  | 18             | 132      | 111 | 122        | Oji Paper .....               | 1,600  | 25             | 275      | 248   | 265        |
| Daito Woollen Spinning .....    | 1,500  | 18             | 103      | 96  | 98         | Toppan Printing .....         | 500  | 23             | 142      | 120   | 132        |
| Fuji Spinning .....             | 3,000  | 20             | 126      | 112 | 116        | Lumber & Ceramics             |  |                |          |       |            |
| Japan Wool Textile .....        | 2,560  | 20             | 163      | 143 | 130        | Iwaki Cement .....            | 1,000  | 40             | 270      | 236   | 283        |
| Kanegafuchi Spinning .....      | 3,738  | 18             | 134      | 118 | 140        | Nihon Cement .....            | 5,000  | 24             | 140      | 119   | 140        |
| Kokoku Rayon .....              | 3,000  | 12             | 82       | 77  | 77         | Nippon Gaishi .....           | 500  | 23             | 206      | 190   | 202        |
| Kokusaku Pulp .....             | 1,630  | 20             | 130      | 116 | 121        | Nippon Toki .....             | 520  | 25             | 189      | 163   | 189        |
| Kurashiki Rayon .....           | 3,000  | 15             | 168      | 155 | 164        | Onoda Cement .....            | 6,400  | 16             | 127      | 117   | 112        |
| Kurashiki Spinning .....        | 2,600  | 20             | 132      | 118 | 124        | Land, Warehouse & Trade       |  |                |          |       |            |
| Mitsubishi Rayon .....          | 2,250  | 30             | 150      | 137 | 135        | Heiwa Real Estate .....       | 1,323  | 10             | 345      | 324   | 333        |
| Nippon Pulp Ind. ....           | 1,600  | 20             | 141      | 131 | 132        | Mitsui Bussan .....           | 1,755  | 20             | 200      | 166   | 183        |
| Nissin Cotton Spinning .....    | 1,560  | 30             | 239      | 221 | 229        | Mitsui Real Estate .....      | 420  | 20             | 968      | 754   | 435        |
| Nitto Spinning .....            | 1,687  | 15             | 96       | 89  | 91         | Mitsubishi Estate .....       | 2,064  | 18             | 208      | 195   | 229        |
| Ohmi Kensi Spinning .....       | 2,000  | 15             | 87       | 78  | 80         | Mitsubishi Shoji .....        | 5,000  | 16             | 135      | 119   | 130        |
| Sanyo Pulp .....                | 2,610  | 20             | 159      | 140 | 141        | Mitsubishi Warehouse .....    | 600  | 10             | 123      | 110   | 130        |
| Teikoku Rayon .....             | 4,800  | 20             | 185      | 168 | 180        | Dept. Stores & Amusements     |  |                |          |       |            |
| Toho Rayon .....                | 1,500  | 20             | 149      | 135 | 133        | Mitsukoshi .....              | 2,430  | 26             | 234      | 216   | 224        |
| Tohoku Pulp .....               | 2,028  | 20             | 137      | 122 | 130        | Nikkatsu .....                | 3,287  | 10             | 60       | 58    | 59         |
| Toyo Rayon .....                | 6,000  | 20             | 245      | 225 | 245        | Shochiku Motion Picture ..... | 1,848  | 25             | 174      | 159   | 162        |
| Toyo Spinning .....             | 6,450  | 22             | 213      | 195 | 209        |                               |  |                |          |       |            |

Notes: (A) 500 yen shares, (B) 100 yen shares, others 50 yen. □ ex-new.

## 35. Exports and Imports by Country

(In million yen)

| Settlement Area | Countries                             | Exports    |            |                |              | Imports    |            |                |              |
|-----------------|---------------------------------------|------------|------------|----------------|--------------|------------|------------|----------------|--------------|
|                 |                                       | 1954 Total | 1955 Total | September 1956 | October 1956 | 1954 Total | 1955 Total | September 1956 | October 1956 |
|                 | Total Exports & Imports .....         | 586,562    | 723,816    | 73,882         | 84,212       | 863,785    | 889,715    | 93,235         | 109,717      |
|                 | Asia Total .....                      | 286,846    | 303,460    | 30,586         | 34,929       | 265,259    | 325,421    | 29,207         | 31,746       |
| 0               | Korea .....                           | 24,684     | 14,218     | 2,276          | 2,290        | 2,911      | 3,434      | 439            | 568          |
| £               | China .....                           | 1,878      | 20,277     | 2,132          | 2,078        | 14,677     | 29,080     | 1,548          | 2,956        |
| \$              | Ryukyu Islands .....                  | 15,529     | 18,288     | 1,732          | 2,152        | 3,645      | 5,738      | 447            | 715          |
| £               | Hong Kong .....                       | 27,815     | 31,702     | 2,893          | 3,142        | 1,426      | 2,221      | 909            | 794          |
| 0               | Formosa .....                         | 23,734     | 22,978     | 1,830          | 2,712        | 20,552     | 29,116     | 243            | 569          |
|                 | Southeast Asia Total .....            | 161,444    | 203,270    | 19,791         | 22,642       | 165,301    | 189,834    | 17,603         | 17,918       |
| 0               | Indo-China .....                      | 4,654      | 13,245     | 2,866          | 3,309        | 5,233      | 1,982      | 96             | 199          |
| 0               | Thailand .....                        | 23,438     | 22,691     | 2,326          | 2,638        | 24,901     | 22,841     | 1,308          | 1,313        |
| £               | Malayan Union .....                   | 3,360      | 4,852      | 396            | 468          | 20,326     | 33,416     | 3,866          | 3,638        |
| £               | Singapore .....                       | 13,281     | 21,355     | 1,534          | 2,100        | 2,648      | 5,892      | 971            | 987          |
| 0               | Philippines .....                     | 11,229     | 18,651     | 1,573          | 1,881        | 24,166     | 32,023     | 3,827          | 3,608        |
| £               | British Borneo .....                  | 179        | 377        | 31             | 43           | 6,986      | 7,707      | 887            | 1,155        |
| 0               | Indonesia .....                       | 43,097     | 23,297     | 2,465          | 1,785        | 21,682     | 29,219     | 1,997          | 2,574        |
| £               | Burma .....                           | 16,413     | 13,786     | 1,235          | 1,815        | 22,713     | 16,477     | 482            | 1,145        |
| £               | India .....                           | 15,788     | 30,503     | 3,270          | 4,057        | 18,562     | 27,823     | 3,104          | 2,420        |
| £               | Pakistan .....                        | 20,160     | 15,839     | 370            | 488          | 13,028     | 16,951     | 948            | 1,147        |
| £               | Ceylon .....                          | 6,226      | 7,353      | 843            | 931          | 950        | 989        | 95             | 93           |
| \$              | Iran .....                            | 8,446      | 8,072      | 653            | 636          | 7,722      | 7,920      | 534            | 336          |
| £               | Iraq .....                            | 6,110      | 7,766      | 361            | 585          | 217        | 2,055      | 243            | 439          |
| £               | Aden .....                            | 3,348      | 3,461      | 196            | 228          | 102        | 1,159      | 18             | 103          |
| \$              | Saudi Arabia .....                    | 999        | 2,372      | 215            | 202          | 39,916     | 35,169     | 4,203          | 4,263        |
| £               | Kuwait .....                          | 1,682      | 2,265      | 251            | 287          | 3,887      | 5,914      | 2,051          | 1,586        |
| 0               | Turkey .....                          | 2,444      | 1,272      | 53             | 73           | 2,091      | 396        | 186            | 0            |
| £               | Jordan .....                          | 562        | 637        | 103            | 97           | 50         | 856        | —              | 11           |
| \$              | Syria .....                           | 1,355      | 2,502      | 242            | 170          | 222        | 1,425      | 7              | —            |
| \$              | Lebanon .....                         | 458        | 434        | 80             | 122          | 146        | 37         | 76             | 6            |
|                 | Europe Total .....                    | 52,665     | 74,086     | 6,288          | 8,097        | 69,526     | 62,999     | 7,492          | 8,332        |
| 0               | Sweden .....                          | 3,031      | 4,815      | 471            | 439          | 3,268      | 1,712      | 339            | 189          |
| £               | Denmark .....                         | 471        | 2,123      | 117            | 1,268        | 1,343      | 685        | 45             | 112          |
| £               | United Kingdom .....                  | 18,405     | 21,876     | 788            | 1,150        | 13,358     | 13,650     | 2,304          | 2,133        |
| 0               | Netherlands .....                     | 7,855      | 9,627      | 720            | 1,141        | 4,227      | 4,129      | 409            | 390          |
| \$              | Belgium & Luxemburg Economic Union .. | 2,896      | 3,736      | 400            | 495          | 4,955      | 3,248      | 358            | 576          |
| 0               | France .....                          | 4,189      | 4,182      | 535            | 475          | 7,400      | 5,507      | 477            | 1,148        |
| £               | West Germany .....                    | 6,514      | 9,058      | 1,172          | 1,082        | 15,880     | 16,648     | 2,220          | 1,985        |
| \$              | East Germany .....                    | 880        | 1,145      | 227            | 168          | 1,897      | 1,858      | 476            | 319          |
| \$              | Switzerland .....                     | 1,708      | 2,259      | 382            | 342          | 3,925      | 4,573      | 429            | 805          |
| \$              | Spain .....                           | 564        | 1,235      | 660            | 557          | 4,783      | 4,242      | 71             | 162          |
| £               | Italy .....                           | 1,940      | 2,846      | 380            | 468          | 6,295      | 4,717      | 154            | 153          |
| \$              | Norway .....                          | 420        | 542        | 54             | 37           | 150        | 98         | 12             | 26           |
| 0               | Finland .....                         | 551        | 1,419      | 71             | 42           | 815        | 474        | 55             | 156          |
| \$              | Austria .....                         | 282        | 818        | 193            | 136          | 324        | 320        | 25             | 51           |
|                 | North America Total .....             | 125,456    | 191,536    | 19,594         | 22,039       | 396,858    | 367,588    | 42,898         | 53,826       |
| \$              | Canada .....                          | 7,576      | 16,254     | 1,971          | 2,133        | 44,117     | 39,175     | 5,850          | 6,824        |
| \$              | U.S.A. .....                          | 99,655     | 161,722    | 16,412         | 18,419       | 304,899    | 278,021    | 28,246         | 36,336       |
| \$              | Mexico .....                          | 10,363     | 2,656      | 151            | 296          | 33,219     | 30,230     | 5,222          | 6,649        |
| \$              | Cuba .....                            | 1,092      | 1,747      | 95             | 126          | 8,739      | 9,906      | 2,372          | 3,647        |
| \$              | Panama .....                          | 554        | 2,166      | 187            | 226          | 909        | 323        | 10             | 420          |
| \$              | Colombia .....                        | 3,415      | 2,556      | 164            | 399          | 200        | 257        | 5              | 7            |
| \$              | Ecuador .....                         | 477        | 549        | 30             | 46           | 2,122      | 74         | 6              | 5            |
|                 | South America Total .....             | 56,924     | 53,533     | 4,028          | 3,393        | 63,829     | 37,432     | 4,621          | 4,829        |
| \$              | Peru .....                            | 1,670      | 1,796      | 292            | 328          | 7,315      | 3,880      | 661            | 1,471        |
| 0               | Brazil .....                          | 28,155     | 12,032     | 1,669          | 1,163        | 26,580     | 21,340     | 2,485          | 1,911        |
| 0               | Argentina .....                       | 17,592     | 28,485     | 809            | 239          | 21,800     | 8,006      | 785            | 743          |
| \$              | Chile .....                           | 447        | 1,401      | 256            | 191          | 863        | 278        | 512            | 260          |
|                 | Africa Total .....                    | 49,857     | 74,009     | 11,858         | 14,138       | 18,462     | 22,664     | 2,530          | 1,435        |
| 0               | Egypt .....                           | 2,312      | 5,124      | 161            | 223          | 10,086     | 10,643     | 926            | 528          |
| £               | Nigeria & Gold Coast .....            | 15,305     | 22,034     | 2,982          | 2,804        | 111        | 62         | 27             | 21           |
| \$              | Liberia .....                         | 9,055      | 19,060     | 6,246          | 8,520        | 87         | 19         | 1              | 2            |
| \$              | Belgian Congo .....                   | 4,249      | 1,226      | 82             | 129          | 25         | 45         | 4              | 13           |
| £               | British East Africa .....             | —          | —          | 602            | 644          | —          | —          | 282            | 263          |
| £               | Union of South Africa .....           | 10,885     | 10,382     | 1,059          | 836          | 3,807      | 6,295      | 843            | 446          |
|                 | Australia & Oceania Total .....       | 14,794     | 27,181     | 1,527          | 1,609        | 49,769     | 73,569     | 6,485          | 9,549        |
| £               | Australia .....                       | 10,155     | 19,842     | 698            | 825          | 42,160     | 63,974     | 5,807          | 7,456        |
| £               | New Zealand .....                     | 941        | 2,833      | 287            | 188          | 1,612      | 2,419      | 168            | 458          |
| \$              | Hawaii .....                          | 2,092      | 2,478      | 185            | 329          | 638        | 365        | 1              | 9            |
| \$              | New Caledonia .....                   | 105        | 230        | 70             | 32           | 1,217      | 2,483      | 341            | 1,004        |
| 0               | French Oceania .....                  | 74         | 74         | 5              | 4            | 1,425      | 1,513      | 72             | 134          |
| \$              | Guam .....                            | 405        | 210        | 5              | 89           | 727        | 712        | 70             | 48           |

Source: Finance Ministry.

Note: 0 denotes open account area; \$, dollar area; £, sterling area.



## 36. Production by Major Items

| Items                         | In         | 1955<br>Total | 1956<br>October | 1956<br>November | Items                          | In           | 1955<br>Total | 1956<br>October | 1956<br>November |
|-------------------------------|------------|---------------|-----------------|------------------|--------------------------------|--------------|---------------|-----------------|------------------|
| Electricity. Coal. Cokes. Gas |            |               | ▲               | ▲                | Ordinary Motors.....           | HP           | 654,614       | 137,748         | 139,219          |
| Electricity .....             | 1,000 KWH  | 53,503,578    | 5,424,121       | 5,355,010        | Ordinary Transformers .....    | KVA          | 1,436,524     | 256,583         | 277,156          |
| Coal .....                    | 1,000 Tons | 42,423.4      | 4,240           | 4,270            | Mercury Rectifiers .....       | KW           | 109,961       | 13,177          | 8,883            |
| Cokes .....                   | "          | 7,088,685     | 705,553         | 720,738          | Condensers (High Pressure) ..  | KVA.         | 961,277       | 104,838         | 88,941           |
| Gas .....                     | 1,000 CM   | 2,411,555     | 219,000         | 247,000          | Condensers (Low Pressure) ..   | MF.          | "             | 1,685,528       | 1,790,904        |
| Minerals                      |            |               |                 |                  | Switchboards .....             | Units        | 37,304        | 5,301           | 5,469            |
| Gold .....                    | GM.        | 7,382,292     | 608,715         | 614,321          | Circuit Breakers .....         | "            | 56,901        | 28,413          | 21,018           |
| Silver .....                  | KG.        | 184,870       | 16,026          | 15,255           | Controllers .....              | "            | "             | 7,093           | 7,488            |
| Copper .....                  | Tons       | 71,096        | 6,778           | 6,501            | Electric Fans .....            | "            | 515,305       | 69,889          | 73,579           |
| Lead .....                    | "          | 26,089        | 2,359           | 2,448            | Electric Bulbs .....           | 1,000 Pcs.   | 142,887       | 14,999          | 13,613           |
| Zinc .....                    | "          | 108,392       | 11,387          | 10,478           | Special Electric Bulbs .....   | "            | 66,801        | 885             | 4,983            |
| Sulphuric Iron .....          | "          | 2,730,662     | 270,118         | 256,151          | Watt-hour Meters .....         | Units        | 1,461,458     | 154,536         | 155,559          |
| Iron .....                    | "          | 965,021       | 101,665         | 95,096           | Electric Meters .....          | "            | 31,909        | 5,071           | 4,311            |
| Refined Sulphur .....         | "          | 202,415       | 23,533          | 22,609           | Storage Batteries .....        | Kg.          | 10,179,162    | 1,234,212       | 1,323,548        |
| Crude Oil .....               | KG.        | 354,309       | 29,401          | 28,800           | X-Ray Equipments .....         | Sets         | 4,849         | 389             | 369              |
| Natural Gas .....             | CM.        | "             | 14,854,113      | 15,352,000       | Telephones .....               | "            | 509,990       | 67,913          | 68,472           |
| Non-ferrous Metals & Products |            |               |                 |                  | Telephone Switchboards ..      | "            | 3,349         | 679             | 707              |
| Electric Gold .....           | GM.        | 8,591,140     | 749,265         | 765,138          | Automatic Tel. Switchboards    | Circuits     | 193,673       | 25,603          | 31,457           |
| Electric Silver .....         | KG.        | 227,440       | 22,119          | 21,110           | Radios .....                   | Set.         | 1,789,190     | 302,584         | 324,091          |
| Electric Copper .....         | Tons       | 113,316       | 11,330          | 9,660            | Televisions .....              | "            | 136,505       | 28,684          | 29,252           |
| Lead .....                    | "          | 37,111        | 3,875           | 4,065            | Electric Tubes for Receiving   | 1,000 Pcs.   | 30,481        | 4,478           | 4,951            |
| Zinc .....                    | "          | "             | 11,444          | 11,538           | Elect. Tubes for Transmis. ..  | 1,000 Pcs.   | 74,167        | 19,400          | 14,941           |
| Electric Tin .....            | KG.        | 1,033,606     | 100,194         | 123,781          | Truck Chassis .....            | Units        | 20,584        | 2,842           | 2,845            |
| Mercury .....                 | "          | 171,271       | 26,692          | 23,381           | Bus Chassis .....              | "            | 4,807         | 440             | 605              |
| Nickel .....                  | "          | 8,487,484     | 495,570         | 511,073          | Small Four-wheeler Chassis ..  | "            | "             | 4,507           | 5,225            |
| Aluminum .....                | Tons       | 57,508        | 5,558           | 5,591            | Small Passenger Car Chassis .. | "            | "             | 2,550           | 2,457            |
| Rolled Aluminum .....         | "          | 52,980        | 5,422           | 5,600            | Small Three-wheeler Chassis .. | "            | 87,743        | 9,473           | 9,580            |
| Rolled Copper .....           | "          | 117,044       | 14,078          | 14,070           | Truck Bodies .....             | "            | "             | 4,580           | 4,870            |
| Wires & Cables .....          | "          | 95,478        | 11,031          | 10,375           | Bus Bodies .....               | "            | "             | 470             | 610              |
| Oil Products                  |            |               |                 |                  | Small Truck Bodies .....       | "            | "             | 3,500           | 4,220            |
| Gasoline .....                | KL.        | 2,461,481     | 272,871         | 276,895          | Bicycles .....                 | "            | 1,108,792     | 120,598         | 120,783          |
| Light Oil .....               | "          | 737,128       | 77,801          | 82,442           | Industrial Locomotives .....   | "            | 305           | 43              | 40               |
| Heavy Oil .....               | "          | 3,928,552     | 568,222         | 570,972          | Binoculars .....               | Pairs        | 280,582       | 43,567          | 44,402           |
| Lubricants .....              | "          | 365,514       | 43,167          | 42,429           | Cameras .....                  | Units        | 1,021,236     | 126,010         | 125,511          |
| Iron & Steel Products         |            |               |                 |                  | Watches .....                  | Pcs.         | 5,798,343     | 620,215         | 631,963          |
| Pig-iron .....                | Tons       | 5,216,766     | 518,324         | 537,330          | Textiles & Yarns               |              |               |                 |                  |
| Steel .....                   | "          | 9,407,723     | 938,572         | 1,025,866        | Cotton Yarn .....              | 1,000 lb.    | 922,680       | 97,455          | 98,089           |
| Open Hearth Steel .....       | "          | 7,813,606     | 742,316         | 823,528          | Silk Yarn .....                | "            | 4,387         | 384             | 380              |
| Converter Steel .....         | "          | 406,690       | 34,226          | 37,984           | Rayon Staple Yarn .....        | "            | 195,352       | 20,597          | 20,535           |
| Electric Furnace Steel .....  | "          | 1,187,427     | 162,030         | 164,354          | Rayon Filament Yarn .....      | "            | 410,938       | 49,477          | 49,045           |
| Ferro-alloys .....            | "          | 209,647       | 24,853          | 23,119           | Woollen Yarn .....             | "            | 184,748       | 21,146          | 20,954           |
| Rolled iron materials .....   | "          | 6,931,774     | 638,850         | 736,656          | East Fibre Yarn .....          | "            | 101,053       | 8,909           | 8,831            |
| Iron Shapes (Medium size) ..  | "          | 359,263       | 38,312          | 49,846           | Staple Fibres .....            | "            | 536,748       | 62,668          | 63,465           |
| Iron wire .....               | "          | 606,627       | 39,664          | 53,209           | Cotton Textiles .....          | 1,000 sq. y. | 3,018,137     | 303,635         | 309,413          |
| Iron Sheets (Thick) .....     | "          | 1,421,148     | 148,546         | 185,155          | Silk Textiles .....            | "            | 184,322       | 17,325          | 17,885           |
| Iron Sheets (Thin) .....      | "          | 740,637       | 54,221          | 57,894           | Spun Silk Textiles .....       | "            | 24,497        | 2,379           | 2,174            |
| Rolled Special Steel .....    | "          | 318,616       | 46,490          | 48,494           | Rayon Textiles .....           | "            | 773,828       | 81,082          | 79,947           |
| Iron Tubes .....              | "          | 432,233       | 33,872          | 46,809           | Rayon Staple Textiles .....    | "            | 895,927       | 104,351         | 103,008          |
| Forged Steel .....            | "          | 144,390       | 12,856          | 16,354           | Woollen Textiles .....         | "            | 185,615       | 19,386          | 20,970           |
| Cast Steel .....              | "          | "             | 19,186          | 20,650           | East Fibre Textiles .....      | "            | 137,549       | 9,894           | 10,458           |
| Galvanized Sheets .....       | "          | "             | 41,676          | 40,785           | Chemicals                      |              |               |                 |                  |
| Machinery & Machine Tools     |            |               |                 |                  | Ammonium .....                 | Tons         | 750,315       | 77,982          | 76,341           |
| Steam Boilers .....           | Tons       | 33,266        | 3,629           | 2,035            | Ammonium Sulphate .....        | "            | 2,128,943     | 200,932         | 319,244          |
| Steam Turbines .....          | KW.        | 403,594       | 79,250          | "                | Superphosphate of Lime .....   | "            | 1,794,786     | 173,148         | 155,304          |
| Water Turbines .....          | KW.        | 627,664       | 43,735          | 34,503           | Carbide .....                  | "            | 674,073       | 61,154          | 44,953           |
| Gasoline Engines .....        | HP.        | 178,455       | 24,599          | 20,678           | Calcium Cyanamide .....        | "            | 510,883       | 45,956          | 42,340           |
| Oil Burners .....             | "          | 323,889       | 41,691          | 43,291           | Synthetic Chem. Fertilizers .. | "            | 1,008,921     | 106,713         | 90,736           |
| Machine Tools .....           | Tons       | 6,588         | 2,564           | 954              | Caustic Soda .....             | "            | 517,138       | 59,738          | 59,022           |
| Drills .....                  | 1,000 Pcs. | 12,846        | 1,451           | 1,517            | Soda Ash .....                 | "            | 830,448       | 32,603          | 34,327           |
| Rolling Machines .....        | Tons       | "             | 4,687           | 4,937            | Synthetic Hydrochloric Acid .. | "            | "             | 23,175          | 23,590           |
| Bearings .....                | "          | 6,948         | 1,095           | 1,198            | Bleaching Powder .....         | "            | "             | 2,300           | 1,745            |
| Cogs .....                    | "          | 1,598,422     | 465             | 520              | Liquid Choline .....           | "            | "             | 8,845           | 9,071            |
| Thrashing Machines .....      | "          | 252,541       | 29,039          | 13,058           | Crude Bensol .....             | "            | 97,675        | 7,819           | 10,398           |
| Hulling Machines .....        | "          | 56,171        | 7,107           | 5,187            | Refined Bensol .....           | "            | 40,556        | 5,209           | 5,333            |
| Rice-cleaning Machines .....  | "          | 78,445        | 9,394           | 9,142            | Pure Toluol .....              | "            | 7,738         | 667             | 841              |
| Air Compressors .....         | "          | 4,076         | 823             | 822              | Photo-films .....              | 1,000 sq.m.  | 8,006         | 682             | 687              |
| Electric Fans .....           | "          | 4,944         | 732             | 744              | Paper & Pulp                   |              |               |                 |                  |
| Pumps .....                   | "          | 21,056        | 2,346           | 2,384            | Pulp .....                     | Long Tons    | 1,877,415     | 194,374         | 192,595          |
| Refrigerators .....           | "          | 14,525        | 1,366           | 1,117            | Western Style Papers .....     | 1,000 lb.    | 3,071,063     | 311,805         | 299,611          |
| Conveyers .....               | "          | 15,305        | 1,424           | 1,694            | Ceramics                       |              |               |                 |                  |
| Cranes .....                  | Tons       | 16,073        | 2,059           | 2,002            | Firebricks .....               | Tons         | 689,339       | 75,609          | 81,000           |
| Winches .....                 | "          | 4,853         | 490             | 655              | Chinaware .....                | "            | "             | 39,233          | 40,760           |
| Elevators .....               | "          | "             | 731             | 696              | Glass Products .....           | "            | "             | 38,901          | 41,550           |
| Printing Machines .....       | "          | 7,725         | 726             | 762              | Red Bricks .....               | "            | 337,301       | 26,037          | 23,976           |
| Silk Preparing Machines ..... | "          | "             | 445             | 483              | Sheet Glass .....              | Boxes        | 527,109       | 758,494         | 735,348          |
| Cotton Preparing Machines ..  | "          | "             | 626             | 645              | Cement .....                   | Tons         | 10,556,650    | 1,156,509       | 1,170,970        |
| Cotton Spinning Machines ..   | "          | 25,750        | 6,505           | 8,274            | Miscellaneous                  |              |               |                 |                  |
| Wool Spinning Machines .....  | "          | 14,537        | 755             | 1,086            | Automobile Tires .....         | Pcs.         | 2,317,575     | 325,469         | 326,771          |
| R. Staple Weaving Machines .. | Units      | 16,648        | 1,935           | 1,871            | Metal Toys .....               | 1,000 pcs.   | 250,795       | 27,444          | 27,901           |
| Cotton Weaving Machines ..    | "          | 16,950        | 2,399           | 1,979            | Pencils .....                  | Gross        | 6,591,749     | 575,468         | 570,000          |
| Wool Weaving Machines .....   | "          | 2,764         | 158             | 213              | Needless .....                 | 1,000 pcs.   | 244,659       | 29,390          | 25,215           |
| Sewing Machines .....         | "          | 1,696,334     | 149,418         | 161,171          | Match .....                    | Match tons   | 417,155       | 33,382          | 37,500           |
| Lathes .....                  | Tons       | 5,132         | 314             | 628              | Piano .....                    | Sets         | 11,510        | 1,288           | 1,376            |
| Drilling Machines .....       | "          | 3,239         | 321             | 381              | Leather Shoes .....            | prs.         | 4,998,172     | 451,222         | 446,250          |
| Millwork Power Generators ..  | KVA        | 1,377,023     | 93,650          | 65,200           |                                |              |               |                 |                  |

Source: Ministry of International Trade &amp; Industry.

Note: ▲ Revised at source, ▲ Provisional figures.

## 37. Exports by Major Articles

(In million yen)

| Articles                                  | Unit           | 1955      |         | 1956      |        |         |        |
|---|----------------|-----------|---------|-----------|--------|---------|--------|
|   |                | Aggregate |         | September |        | October |        |
|   |                | Volume    | Value   | Volume    | Value  | Volume  | Value  |
| Food .....                                | —              | —         | 47,793  | —         | 4,023  | —       | 6,664  |
| Fish & Shellfish .....                    | m.t.           | 155,108   | 27,226  | 12,133    | 2,552  | 20,542  | 5,026  |
| Canned, Bottled Fish .....                | "              | 62,206    | 16,442  | 6,708     | 1,776  | 14,351  | 4,182  |
| Cereals .....                             | —              | —         | 1,287   | —         | 90     | —       | 67     |
| Fresh & Frozen Fruit .....                | m.t.           | 116,519   | 9,276   | 8,495     | 553    | 10,091  | 569    |
| Sugar & Its Products .....                | m.t.           | 34,039    | 1,434   | 2,048     | 105    | 1,490   | 84     |
| Tea .....                                 | 1,000 lbs.     | 31,954    | 3,510   | —         | 79     | —       | 73     |
| Beverage & Tobacco .....                  | —              | —         | 1,214   | 1,468     | 137    | 2,481   | 265    |
| Beer .....                                | kl.            | 6,339     | 507     | —         | 53     | —       | 45     |
| Tobacco .....                             | —              | —         | 471     | —         | 26     | —       | 28     |
| Raw Materials .....                       | —              | —         | 35,285  | —         | 2,911  | —       | 2,954  |
| Lumber .....                              | cu.m.          | 442,008   | 10,438  | 41,392    | 705    | 43,367  | 747    |
| Textile, Fibre .....                      | 1,000 lbs.     | 69,061    | 20,821  | 6,012     | 1,933  | 6,500   | 1,888  |
| Raw Silk .....                            | bales          | 86,712    | 18,005  | 970       | 1,440  | 884     | 1,343  |
| Fertilizers & Mineral Products .....      | —              | —         | 252     | —         | 10     | —       | 25     |
| Animal & Vegetable Materials .....        | —              | —         | 2,257   | —         | 228    | —       | 266    |
| Coal & Petroleum .....                    | —              | —         | 2,546   | —         | 378    | —       | 338    |
| Animal & Vegetable Oils .....             | —              | —         | 6,381   | —         | 268    | —       | 829    |
| Animal Oil .....                          | m.t.           | —         | 5,448   | —         | 194    | —       | 776    |
| Cod-liver Oil .....                       | "              | 6,729     | 2,155   | —         | 151    | 278     | 249    |
| Vegetable Oil .....                       | "              | 8,036     | 916     | 486       | 61     | 142     | 18     |
| Chemicals, Drugs .....                    | —              | —         | 33,751  | —         | 3,323  | —       | 2,661  |
| Pharmaceuticals .....                     | —              | —         | 2,997   | —         | 440    | —       | 361    |
| Chemical Fertilizers .....                | m.t.           | 762,875   | 15,010  | 69,534    | 1,239  | 49,342  | 1,031  |
| Manufactured Products by Material .....   | —              | —         | 414,867 | —         | 39,250 | —       | 42,950 |
| Rubber Goods .....                        | —              | —         | 4,359   | —         | 545    | —       | 617    |
| Tyres & Inner Tubes .....                 | m.t.           | 9,281     | 3,345   | 1,079     | 486    | 1,282   | 484    |
| Wood & Cork Products .....                | —              | —         | 15,763  | —         | 361    | —       | 452    |
| Paper & Related Products .....            | m.t.           | 82,096    | 6,627   | 10,058    | 952    | 13,331  | 1,198  |
| Textiles .....                            | —              | —         | 210,588 | —         | 21,830 | —       | 24,468 |
| Woollen Yarn .....                        | 1,000 lbs.     | 7,877     | 6,263   | 510       | 337    | 590     | 391    |
| Cotton Yarn .....                         | "              | 26,226    | 8,756   | 2,515     | 1,023  | 2,819   | 1,092  |
| Rayon Yarn .....                          | "              | 18,046    | 3,231   | 4,537     | 844    | 5,978   | 1,117  |
| Spun Rayon Yarn .....                     | "              | 39,224    | 5,897   | 1,726     | 307    | 1,933   | 347    |
| Cotton Fabrics .....                      | 1,000 sq. yds. | 1,138,829 | 82,757  | 96,058    | 7,481  | 122,690 | 9,441  |
| Silk Fabrics .....                        | "              | 30,022    | 5,622   | 19,974    | 1,151  | 22,472  | 1,262  |
| Woollen Fabrics .....                     | "              | 17,751    | 10,003  | 2,289     | 1,256  | 2,202   | 1,250  |
| Artificial Fibre Fabrics .....            | "              | 895,631   | 55,686  | 103,213   | 7,367  | 105,911 | 7,485  |
| Non-Metallic Minerals .....               | —              | —         | 30,625  | —         | 3,960  | —       | 3,860  |
| Cement .....                              | m.t.           | 1,206,244 | 8,098   | 229,930   | 1,509  | 191,286 | 1,239  |
| Glass Products .....                      | —              | —         | 4,634   | —         | 490    | —       | 615    |
| Chinaware .....                           | —              | —         | 15,106  | —         | 1,618  | —       | 1,613  |
| Precious Metals & Gems .....              | —              | —         | 7,846   | —         | 809    | —       | 891    |
| Cultured Pearls .....                     | kg.            | 18,223    | 3,633   | 2,071     | 351    | 2,226   | 398    |
| Base Metals & Products .....              | —              | —         | 117,096 | —         | 7,576  | —       | 7,883  |
| Iron & Steel .....                        | m.t.           | 1,988,521 | 93,418  | 96,330    | 6,064  | 94,323  | 6,150  |
| Steel Bars & Shapes .....                 | "              | 356,875   | 11,401  | 20,925    | 758    | 7,630   | 308    |
| Steel Plates (ungalvanized) .....         | "              | 344,719   | 16,801  | 16,391    | 1,098  | 18,749  | 1,276  |
| Copper .....                              | "              | 41,184    | 13,257  | 718       | 309    | 770     | 317    |
| Nickel .....                              | "              | 2,213     | 2,261   | 422       | 534    | 281     | 347    |
| Aluminium .....                           | "              | 24,883    | 5,033   | 769       | 198    | 460     | 136    |
| Metal Products .....                      | —              | —         | 21,845  | —         | 2,002  | —       | 1,891  |
| Machinery & Transportation Equipment .... | —              | —         | 88,835  | —         | 12,891 | —       | 17,510 |
| Machinery (excl. electric machines) ..... | —              | —         | 34,848  | —         | 3,871  | —       | 4,386  |
| Metal Processing Machines .....           | —              | —         | 1,134   | —         | 78     | —       | 60     |
| Textile Machines & Parts .....            | —              | —         | 9,562   | —         | 1,329  | —       | 1,540  |
| Sewing Machines & Parts .....             | —              | —         | 13,938  | —         | 1,294  | —       | 1,247  |
| Electric Machines .....                   | —              | —         | 11,123  | —         | 1,455  | —       | 1,970  |
| Gen. Motors, Trans. & Alternators .....   | unit           | —         | 2,188   | —         | 147    | —       | 260    |
| Electric Bulbs .....                      | 1,000 pcs.     | 194,791   | 1,601   | 24,432    | 224    | 27,207  | 284    |
| Transportation Equipment .....            | —              | —         | 42,864  | —         | 7,565  | —       | 11,154 |
| Railway Rolling Stock .....               | —              | —         | 7,814   | —         | 502    | —       | 675    |
| Automobiles .....                         | —              | —         | 3,736   | 3,340     | 244    | 1,753   | 147    |
| Bicycles & Parts .....                    | m.t.           | —         | 3,056   | —         | 273    | —       | 349    |
| Ships .....                               | unit           | 348       | 28,147  | 72        | 6,245  | 85      | 9,675  |
| Miscellaneous .....                       | —              | —         | 90,295  | —         | 10,371 | —       | 9,954  |
| Camera .....                              | —              | 234,471   | 1,680   | 41,920    | 258    | 61,159  | 530    |
| Toys .....                                | m.t.           | 47,352    | 15,294  | 5,888     | 2,056  | 5,266   | 1,746  |
| Livestock, Pets etc. ....                 | —              | —         | 299     | —         | 4      | —       | 35     |
| Re-export Goods .....                     | —              | —         | 2,551   | —         | 385    | —       | 243    |
| Total Exports .....                       | —              | —         | 723,816 | —         | 73,882 | —       | 84,212 |

Note: Figures of group total include others than represented. Figures for value are rounded under one thousand.

Source: Customs Division, Tax Bureau, Ministry of Finance.



## 38. Imports by Major Articles

(In million yen)

| Articles                                   | Unit       | 1955       |         | September |        | October   |         |
|--|------------|------------|---------|-----------|--------|-----------|---------|
|  |            | Aggregate  |         |           |        |           |         |
|  |            | Volume     | Value   | Volume    | Value  | Volume    | Value   |
| Food .....                                 | —          | —          | 220,088 | —         | 14,231 | —         | 20,606  |
| Cereals (rice, wheat & barley, etc.) ..... | m.t.       | —          | 158,437 | 365,009   | 10,199 | 503,874   | 14,403  |
| Fruit & Vegetables .....                   | "          | 149,625    | 7,191   | 3,871     | 347    | 2,235     | 532     |
| Sugar .....                                | "          | 1,243,131  | 43,692  | 80,665    | 2,940  | 132,492   | 4,734   |
| Coffee .....                               | 1000. lbs. | 9,058      | 2,044   | 565       | 123    | 1,322     | 297     |
| Beverage & Tobacco .....                   | —          | —          | 4,955   | —         | 347    | —         | 542     |
| Spirits .....                              | l.         | —          | 274     | —         | 30     | —         | 17      |
| Raw Materials .....                        | —          | —          | 441,281 | —         | 49,144 | —         | 54,381  |
| Hides & Skins .....                        | m.t.       | 61,763     | 8,055   | 7,716     | 1,173  | 5,827     | 869     |
| Cow Hide .....                             | "          | 47,041     | 5,214   | 6,245     | 774    | 4,266     | 523     |
| Box Calf .....                             | "          | 8,000      | 2,008   | 840       | 292    | 659       | 197     |
| Oil Seeds .....                            | "          | 1,135,105  | 52,928  | 58,241    | 2,949  | 30,271    | 1,717   |
| Peanuts .....                              | "          | 14,554     | 1,238   | —         | —      | —         | —       |
| Copra .....                                | "          | 50,736     | 3,829   | 3,300     | 241    | 4,555     | 316     |
| Soy-beans .....                            | "          | 808,177    | 35,368  | 43,980    | 2,077  | 897       | 45      |
| Rubber .....                               | "          | 109,057    | 26,905  | 11,775    | 2,461  | 12,987    | 2,940   |
| Crude Rubber .....                         | "          | 87,669     | 23,852  | 8,923     | 2,067  | 10,071    | 2,402   |
| Latex .....                                | "          | 7,160      | 1,522   | 887       | 173    | 1,132     | 224     |
| Synthetic Rubber .....                     | "          | 5,199      | 1,374   | 675       | 194    | 998       | 288     |
| Lumber & Cork .....                        | c.m.       | —          | 22,909  | —         | 3,133  | —         | 3,350   |
| Lumber .....                               | "          | 2,051,859  | 22,243  | 268,505   | 3,017  | 287,786   | 3,275   |
| Cork .....                                 | m.t.       | 6,568      | 616     | 493       | 56     | 640       | 71      |
| Pulp & Scrap Paper .....                   | —          | —          | 6,849   | —         | 1,129  | —         | 1,279   |
| Fibres & Textiles .....                    | 1,000 lbs. | 1,498,630  | 210,799 | 159,441   | 21,554 | 171,174   | 22,019  |
| Silk (incl. cocoons) .....                 | 1,000 lbs. | 1,904      | 407     | 175       | 43     | 283       | 107     |
| Wool .....                                 | "          | 214,191    | 63,376  | 21,635    | 6,823  | 20,767    | 6,648   |
| Cotton .....                               | "          | 972,061    | 130,318 | 117,164   | 13,733 | 123,029   | 14,059  |
| Cotton Linter .....                        | "          | 30,754     | 773     | 100,896   | 12,612 | 112,282   | 13,296  |
| Waste Cotton .....                         | "          | 87,211     | 6,920   | 14,358    | 1,065  | 10,229    | 742     |
| Hard & Bast Fibres .....                   | "          | 117,856    | 7,823   | 18,540    | 783    | 24,332    | 968     |
| Jute .....                                 | "          | 69,843     | 2,604   | 7,209     | 244    | 8,612     | 279     |
| Flax .....                                 | "          | 5,554      | 608     | 1,280     | 77     | 1,385     | 62      |
| Sisal Hemp .....                           | "          | 27,212     | 937     | 5,429     | 275    | 5,580     | 274     |
| Manila Hemp .....                          | "          | 71,196     | 3,324   | 1,800     | 150    | 2,424     | 195     |
| Fertilizers & Non-metallic Minerals .....  | m.t.       | —          | 36,975  | —         | 3,007  | —         | 3,136   |
| Fertilizers .....                          | "          | 2,369,295  | 23,959  | 172,123   | 1,606  | 137,408   | 1,263   |
| Salt .....                                 | "          | 2,025,019  | 7,775   | 132,107   | 642    | 205,098   | 982     |
| Asbestos .....                             | "          | 20,400     | 1,436   | 1,299     | 92     | 3,975     | 274     |
| Magnesite .....                            | "          | 53,486     | 923     | 10,919    | 196    | 9,930     | 192     |
| Metals & Ores .....                        | m.t.       | 7,784,569  | 66,867  | 1,040,112 | 13,249 | 1,272,053 | 18,447  |
| Iron Ore .....                             | "          | 5,459,458  | 29,354  | 695,671   | 4,582  | 780,937   | 5,367   |
| Scrap Iron .....                           | "          | 1,286,959  | 22,951  | 181,084   | 4,827  | 302,256   | 8,075   |
| Non-ferrous Metals .....                   | "          | 1,021,375  | 12,063  | 154,014   | 2,464  | 182,345   | 3,276   |
| Nickel .....                               | "          | 44,196     | 2,150   | 37,429    | 338    | 104,622   | 1,004   |
| Aluminium .....                            | "          | 307,530    | 2,435   | 64,125    | 396    | 22,425    | 120     |
| Manganese .....                            | "          | 343,312    | 1,513   | 13,199    | 226    | 17,393    | 277     |
| Animal Materials .....                     | —          | —          | 3,039   | —         | 237    | —         | 263     |
| Vegetable Materials .....                  | —          | —          | 5,948   | —         | 253    | —         | 355     |
| Coal & Petroleum .....                     | —          | —          | 104,040 | —         | 13,096 | —         | 14,627  |
| Coal .....                                 | m.t.       | 2,861,923  | 20,237  | 300,622   | 2,692  | 393,379   | 3,474   |
| Anthracite .....                           | "          | 267,398    | 1,732   | 40,900    | 299    | 53,145    | 380     |
| Bituminous (for coking) .....              | "          | 2,575,281  | 18,437  | 241,083   | 2,228  | 322,046   | 2,960   |
| Petroleum .....                            | k.l.       | 12,114,718 | 81,863  | 1,307,314 | 9,942  | 1,416,837 | 10,925  |
| Crude & Unrefined .....                    | "          | 8,501,530  | 53,507  | 1,024,451 | 7,137  | 1,085,726 | 7,527   |
| Gasoline .....                             | "          | 348,347    | 4,620   | 11,474    | 164    | 31,350    | 552     |
| Kerosene & Gas Oil .....                   | "          | 222,681    | 2,225   | 8,411     | 39     | 11,683    | 122     |
| Fuel Oil .....                             | "          | 3,004,426  | 19,763  | 247,838   | 2,096  | 280,530   | 2,370   |
| Lubricants (excl. grease) .....            | "          | 29,789     | 1,324   | 7,276     | 365    | 6,631     | 345     |
| Petroleum Coke .....                       | m.t.       | 125,959    | 1,285   | 29,053    | 370    | 11,122    | 175     |
| Animal & Vegetable Oils .....              | —          | —          | 13,118  | —         | 848    | —         | 959     |
| Animal Fats & Oils .....                   | m.t.       | 117,680    | 9,173   | 7,450     | 561    | 10,792    | 780     |
| Vegetable Oils .....                       | "          | 37,536     | 3,695   | 2,319     | 254    | 1,325     | 148     |
| Chemicals, Drugs .....                     | —          | —          | 28,874  | —         | 5,103  | —         | 6,036   |
| Manufactured Products by Material .....    | —          | —          | 21,052  | —         | 5,393  | —         | 6,818   |
| Hides, Leathers & Furs .....               | m.t.       | —          | 964     | —         | 285    | —         | 86      |
| Rubber Goods .....                         | "          | —          | 230     | —         | 28     | —         | 64      |
| Paper & Related Products .....             | m.t.       | 1,456      | 229     | 79        | 84     | 138       | 26      |
| Yarns & Fabrics .....                      | "          | —          | 3,213   | —         | 728    | —         | 321     |
| Base Metals .....                          | m.t.       | —          | 1,337   | 63,473    | 3,815  | 84,685    | 5,601   |
| Iron & Steel .....                         | "          | 82,183     | 3,647   | 56,708    | 1,966  | 75,350    | 3,171   |
| Other Base Metals .....                    | "          | 5,823      | 4,391   | 6,795     | 1,849  | 9,335     | 2,430   |
| Machinery & Transportation Equipment ..... | —          | —          | 47,665  | —         | 4,155  | —         | 4,596   |
| Machinery (excl. electric machines) .....  | —          | —          | 33,258  | —         | 2,711  | —         | 3,052   |
| Electric Machines .....                    | —          | —          | 6,267   | —         | 473    | —         | 498     |
| Transportation Equipment .....             | —          | —          | 8,140   | —         | 971    | —         | 1,047   |
| Miscellaneous .....                        | —          | —          | 7,895   | —         | 845    | —         | 1,070   |
| Livestock, Pets etc. .....                 | —          | —          | 124     | —         | 4      | —         | 13      |
| Re-imports Goods .....                     | —          | —          | 674     | —         | 69     | —         | 67      |
| Total Imports .....                        | —          | —          | 889,715 | —         | 93,235 | —         | 109,717 |

Note: Figures of group total include other items not represented above. Figures for value under one thousand are rounded.  
Source: Customs Division, Tax Bureau, Ministry of Finance.

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